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DIRECTOR OF STRATEGY,
PERFORMANCE AND
GOVERNANCE'S OFFICE
DIRECTOR OF STRATEGY, PERFORMANCE
AND GOVERNANCE
Paul Dodson

11 December 2019

Dear Councillor

You are summoned to attend the;

MEETING OF THE MALDON DISTRICT COUNCIL

on **THURSDAY 19 DECEMBER 2019 at 7.30 pm.**

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

A copy of the agenda is attached.

Yours faithfully



Director of Strategy, Performance and Governance

Please note

; Limited hard copies of this agenda and its related papers will be available at the meeting.
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AGENDA COUNCIL

THURSDAY 19 DECEMBER 2019

1. **Chairman's notices**
2. **Apologies for Absence**
3. **Declaration 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).

4. **Minutes - 21 November 2019** (Pages 7 - 26)

To confirm the Minutes of the council meeting held on 21 November 2019 (copy enclosed).

5. **Public Questions**

To receive questions from members of the public, of which prior notification in writing has been received (no later than noon on the Tuesday prior to the day of the meeting).

6. **Chairman's Announcements**

7. **Minute Book**

To consider the Minutes of the under mentioned Committees (copy enclosed).

* Please note that where Minutes contain recommendations to the Council the Minute reference for these recommendations are listed below for Members' information.

- a) **Performance, Governance and Audit Committee - 28 November 2019** (Pages 27 - 36)
 - Minute No. 8 - Draft Statement of Accounts 2018 / 19
- b) **Strategy and Resources Committee - 5 December 2019** (Pages 37 - 118)
 - Minute No. 6 – Advice Services Contract
 - Minute No. 9 – Maldon District Council Affordable Housing and Viability Supplementary Planning Document – Consultation on Draft Amendment
 - Minute No. 15 – 2020 / 21 Fees and Charges Policy
 - Minute No. 16 – 2020 / 21 Revenue Budget Growth and Savings

8. **Minutes of Meetings of the Council**

To note that since the last Council, up until Wednesday 11 December 2019 (Council agenda dispatch) the following Committees have met, and to receive any questions in accordance with Council and Committee Procedure Rule 6 (2).

Minutes published:

Central Area Planning Committee	13 November 2019
North Western Area Planning Committee	25 November 2019

Minutes NOT finalised for publication:

Overview and Scrutiny Committee (meeting as the Crime and Disorder Committee)	14 November 2019
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9. **Questions in accordance with Procedure Rule 6(3) of which notice has been given**

10. **River Crouch Coastal Community Team Change to Terms of Reference and Representatives** (Pages 119 - 126)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).

11. **Bradwell B Planning Policy Position Statement** (Pages 127 - 132)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).

12. **Council Governance in relation to Bradwell B** (Pages 133 - 138)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).

13. **Draft Statement of Accounts 2018 / 19** (Pages 139 - 214)

To consider the report of the Interim Section 151 Officer (copy enclosed).

14. **Council Tax Base 2020 / 21** (Pages 215 - 222)

To consider the report of the Interim Section 151 Officer, (copy enclosed).

15. **Schedule of Meetings 2020 / 21** (Pages 223 - 226)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).

16. **Schedule of Meetings 2019 / 20**

To consider the following amendment to the Schedule of Meetings 2019 / 20:

- **Strategy and Resources Committee**
To move the meeting of this Committee scheduled on 16 January 2020 to Wednesday 29 January 2020.

17. **Questions to the Leader of the Council in accordance with Procedure Rule 1 (3)(m)**
18. **Business by reason of special circumstances considered by the Chairman to be 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.

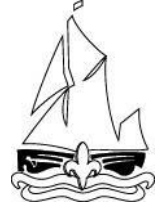
Health and Safety

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Closed-Circuit Television (CCTV)

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**MINUTES of
COUNCIL
21 NOVEMBER 2019**

PRESENT

Chairman	Councillor R G Boyce MBE
Vice-Chairman	Councillor Mrs P A Channer, CC
Councillors	E L Bamford, Miss A M Beale, B S Beale MBE, M G Bassenger, V J Bell, R P F Dewick, M F L Durham, CC, M R Edwards, Mrs J L Fleming, A S Fluker, B E Harker, M S Heard, M W Helm, A L Hull, K M H Lagan, C Mayes, C P Morley, C Morris, S P Nunn, N G F Shaughnessy, R H Siddall, W Stamp, Mrs J C Stilts, C Swain, Mrs M E Thompson and Miss S White

1. CHAIRMAN'S NOTICES

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

2. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors K M Jarvis, J V Keyes and N Skeens.

3. DECLARATION OF INTEREST

Councillor M F L Durham declared a non-pecuniary interest as a member of Essex County Council and any item of business pertaining to that organisation.

Councillor Mrs P A Channer declared a non-pecuniary interest as a member of Essex County Council and any matter on the agenda relating or referring to that organisation. In addition and in respect of Agenda Item 13 – Superfast Essex Update Councillor Mrs Channer advised that this related to a resolution of the Council in May 2016 and that as she had removed herself from the chamber at that meeting and did not take part in any discussion she felt it prudent to do the same and therefore remove herself from the chamber for this matter. She highlighted that although monies went to Essex County Council, the County Council coordinated the scheme which was based under the delivery of Superfast Essex, under the BDUK (Building Digital UK) programme.

4. MINUTES - 3 OCTOBER 2019

RESOLVED

- (i) that the Minutes of the extraordinary meeting of the Council held on 3 October 2019 be received.

Minute 448 – Appointment of Membership of Committees of the Council

Councillor C Morris raised a point of accuracy in respect of this Minute, as he felt it did not portray what happened at the meeting. He made specific reference to the Chairman having asked for the Police to be called. There was some discussion regarding this matter.

The Chairman reminded Councillor Morris that the Minutes were not a verbatim record of what had taken place.

In accordance with Procedure Rule No. 13 (3) Councillor C Morris requested a recorded vote. The Chairman then put to the vote that the Minutes of the last meeting be agreed, and the voting was as follows:

For the recommendation:

Councillors E L Bamford, R G Boyce, Mrs P A Channer, R P F Dewick, M F L Durham, J L Fleming, A S Fluker, B E Harker, A J Hull, C P Morley, R H Siddall, Mrs M E Thompson and Miss S White.

Against the recommendation:

Councillors M G Bassenger, B S Beale, V J Bell, M R Edwards, M S Heard, K M H Lagan, C Mayes and C Morris.

Abstention:

Councillors Miss A M Beale, M W Helm, S P Nunn, N G F Shaughnessy, W Stamp, J Stilts and C Swain.

RESOLVED

- (ii) That the Minutes of the extraordinary meeting of the Council held on 3 October 2019 be adopted.

5. PUBLIC QUESTIONS

There were none.

6. CHAIRMAN'S ANNOUNCEMENTS

The Chairman advised that he had attended a number of events (detailed below) and thanked the Vice-Chairman for attending some events on his behalf. He made particular reference to:

- Maldon Conservation and Design Awards which were well received by the building industry and public.
- Remembrance services at the Quay in Maldon and War Memorial in Burnham-on-Crouch.
- unveiling of the unmarked grave plaque at Maldon Cemetery to recognise those people in unmarked graves that died in the old workhouse and fever hospital.

03.10.19	Moat Homes Tour
06.10.19	Parish Nursing Affirmation Service at St Nicholas Church, Tolleshunt Major
13.10.19	High Sheriff's Justice Service for the County of Essex
14.10.19	Braintree District Council, Concert for Harvest <i>Vice Chairman</i>
15.10.19	Chelmsford County Council, Civic Lunch, Hylands House
16.10.19	Action for Family Carers Annual General Meeting (AGM) <i>Vice Chairman</i>
16.10.19	Action for Family Carers AGM
19.10.19	Mayor of Basildon Charity Dinner
19.10.19	Mayor of Castlepoint's Charities Quiz Night <i>Vice Chairman</i>
27.10.19	Harlow Civic Service <i>Vice Chairman</i>
15.10.19	Mayor of Chelmsford City Council Civic Lunch and tour of Hylands House
05.11.19	Maldon Conservation and Design Awards
10.11.19	Maldon's Act of Remembrance and Wreath Laying <i>Vice Chairman</i>
10.11.19	Remembrance Parade at Stow Maries
10.11.19	Burnham-on-Crouch Remembrance Service
11.11.19	Remembrance Day Service at War Memorial Burnham-on-Crouch
11.11.19	Remembrance Day Service at Maldon Quay <i>Vice Chairman</i>
21.11.19	Unmarked Graves Plaque Unveiling

Councillor W Stamp extended her thanks to the Chairman on behalf of Burnham-on-Crouch for attending their remembrance services.

7. NOTICE OF MOTION

The following motion proposed by Councillor C Swain and seconded by Councillor V J Bell, was received on 10 November 2019.

“I wish to put the following motion to Council to add a new sub-section (3) to Rule of Procedure 18 as follows:

‘Any working group established by Council, Committee or Sub-committee shall include members representing wards most affected by matters falling within the remit of that working group.’”

The Chairman advised the Council of the process for dealing with motions received and how in accordance with Procedure Rules the Council could refer a motion straight to a main Committee. The Chairman informed Members that he would be seeking for the Council to consider the motion.

Councillor Swain then provided background information regarding his motion, highlighting the benefits of having related Ward Members on Working Groups and the knowledge they could bring. He commented on the involvement of the Independent Councillors in current Working Groups and the frustrations this had caused. Councillor Swain then proposed that the motion be agreed by the Council and invited Members to support it.

In seconding the Motion, Councillor Bell referred to the experience that some Members had in specific areas and how this could benefit a Working Group and the Council as a whole.

The Leader of the Council responded to the Motion and advised that following discussions with the Programmes, Performance and Governance Manager, Minutes of Working Groups, once approved and provided they did not contain confidential information, would be published for the benefit of all Members. He drew Members' attention to paragraph 4.2 of Section 1 of the Constitution and further commented on Working Groups not being politically aligned. He advised that he was unable to support the Motion given the practicalities of it and that Ward Members in some cases may not be part of awarding bodies. Councillor Fluker requested that it be recorded that he was very happy to meet with the Leader of the Opposition to discuss appointment of Members to Working Groups in February 2020, prior to the Statutory Annual Council meeting May 2020. The Leader of the Opposition welcomed this and confirmed he was happy to meet with the Leader of the Council.

Councillor Morris commented that it would be fantastic if the best people for the job were chosen and not because of political affiliation.

Councillor Swain summed up and requested that Members support his Motion.

In accordance with Procedure Rule No. 13 (3) Councillor C Morris requested a recorded vote. The Chairman then put the Motion to the Council and the voting was as follows:

For the recommendation:

Councillors M G Bassenger, B S Beale, V J Bell, M R Edwards, M S Heard, K M H Lagan, C Mayes, C Morris, S P Nunn, N G F Shaughnessy, W Stamp, J Stilts and C Swain.

Against the recommendation:

Councillors E L Bamford, Miss A M Beale, R G Boyce, Mrs P A Channer, R P F Dewick, M F L Durham, Mrs J L Fleming, A S Fluker, B E Harker, M W Helm, A J Hull, C P Morley, R H Siddall, Mrs M E Thompson and Miss S White.

Abstention:

There were none.

The Motion was therefore declared as lost.

RESOLVED that the motion not be agreed.

8. STRATEGY AND RESOURCES COMMITTEE - 17 OCTOBER 2019

RESOLVED

- (i) that the Minutes of the Strategy and Resources Committee held on 17 October 2019 be received.

Minute 464 - Appointment of Chairman and Vice-Chairman

Councillor M S Heard advised that he felt the Minutes were incorrect.

The Chairman suggested that Councillor Heard raise any inaccuracies at the next meeting of the Committee where the Minutes would be approved.

Councillor Heard advised he wished to continue and advised that in relation to this Minute the matters discussed had been Minuted in the incorrect order. Councillor Heard asked that it be recorded that when the Director of Strategy, Performance and Governance called for nominations the first nomination came for an Independent Councillor and the Director then called for any other nominations.

Minute 474 – Appointment of Representatives of Liaison Committees – Panels

Councillor Heard referred to Independent Councillors being democratically elected and that they were being denied the opportunity to represent the electorate. He also made reference to when he was allowed to speak in respect of this item of business.

RESOLVED

- (ii) that the Minutes of the Strategy and Resources Committee held on 17 October 2019 be noted.

9. PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE - 24 OCTOBER 2019

Councillor E L Bamford, Chairman of this Committee advised that there were some inaccuracies in the Minutes which would be corrected at the next meeting of this Committee.

RESOLVED that the Minutes of the Performance, Governance and Audit Committee held on 24 October 2019 be noted.

10. MINUTES OF MEETINGS OF THE COUNCIL

The Council noted the list of Committees that had met since the last meeting of the Council, up to Wednesday 13 November 2019 for which Minutes had been published.

11. QUESTIONS IN ACCORDANCE WITH PROCEDURE RULE 6(3) OF WHICH NOTICE HAS BEEN GIVEN

There were none.

12. OUTSTANDING BUSINESS FROM THE ADJOURNED COUNCIL MEETING ON 3 OCTOBER 2019

The Chairman advised that following the adjournment of the Council meeting on 3 October 2019, there were three items of business outstanding and therefore needed Members' consideration.

13. SPECIAL MEETINGS OF COMMITTEES TO ELECT CHAIRMEN AND VICE-CHAIRMEN

RESOLVED that the Joint Standards and Licensing Committees appoint their Chairman and Vice-Chairman at their respective next meetings.

14. APPOINTMENT OF REPRESENTATIVES TO LOCAL GOVERNMENT AND OUTSIDE BODIES

The Council considered the report of the Head of Paid Service seeking Members' consideration of the appointment of representatives to serve on Local Government and Outside Bodies for the ensuing municipal year.

The Leader of the Council proposed that all appointments to representatives on Local Government and outside bodies be agreed subject to the following amendments:

- Maldon Sure Start – Councillor A L Hull with Councillor Miss S White as substitute.
- Responsible Authorities Group – Councillor A L Hull with Councillor Miss S White as substitute.

This was duly seconded.

Councillor M S Heard proposed that Councillor W Stamp be added to the membership of the Local Area Highways Panel as there was no representative from Maldon or Burnham-on-Crouch on this Panel. The Chairman advised that there was already a proposal being considered and should that not be successful at this time an alternative motion could be put.

The Chairman then put the Leader of the Council's motion to the Council. Upon a vote being taken this was agreed.

In response to questions, the Chairman provided clarification in respect of Motions, advising that once a Motion was on the table it could be amended provided it did not negate all or any part of that Motion.

RESOLVED that the appointment of representatives to Local Government and outside bodies as detailed in **APPENDIX 1** to these Minutes, be approved.

15. APPOINTMENT OF MEMBERS TO SERVE ON WORKING GROUPS OF THE COUNCIL

The Council considered the report of the Head of Paid Service seeking Members' agreement to appoint Members to serve on Working Groups of the Council for the municipal year.

The Leader of the Council proposed that the recommendation as set out in the report be agreed, subject to an amendment to amend the membership of the Corporate Governance Working Group to:

- Councillors Mrs P A Channer, A S Fluker, B E Harker, R H Siddall and Miss S White.

This proposal was duly seconded.

In response to a question, the Chairman clarified that as a general rule the constitutional criteria of any Working Group had to be approved by the Council.

The Chairman then put the proposal in the name of Councillor Fluker and upon a vote being taken this was agreed.

RESOLVED that subject to the above amendment, the appointments to the Working Groups of the Council as set out **APPENDIX 2** to these Minutes be confirmed.

16. THEMATIC STRATEGIES

The Council considered the report of the Director of Strategy, Performance and Governance seeking approval of the Thematic Strategies for Place (attached as Appendix A to the report), Community (Appendix B), and Prosperity (Appendix C).

When approved, it was agreed that the Council's Corporate Plan would be underpinned by three thematic strategies corresponding to the themes of place, community and prosperity. The Thematic Strategies appended to the report set out how the Council would evidence the 32 outcomes set out in the Corporate Plan.

The Leader of the Council presented the report and asked that thanks be extended to Ms Georgina Button, Strategy, Policy and Communications Manager and Councillor Siddall for their work on these strategies. He then proposed that the recommendations as set out in the report be agreed, this was duly seconded and agreed.

In response to a question regarding reviewing the Strategies, the Leader of the Council reported that they were fluid documents and could be updated at any time.

RESOLVED that the Thematic Strategies for Place, Community and Prosperity be approved and adopted as Council policy.

17. POLLING DISTRICT, POLLING PLACE AND POLLING STATION REVIEW

The Council considered the report of the Returning Officer seeking Members' consideration of the outcomes of a review of all Polling Districts, Polling Places and

Polling Stations within the District. The report also sought confirmation of the designation of Polling Districts and Polling Places in the Maldon District.

The report provided background information and set out the stages of consultation for a review to ensure that all electors had reasonable access to facilities for voting. It was noted that the review had to be undertaken by 31 January 2020. A copy of the Notice of Review was attached as Appendix 1 to the report. Other key parties had been asked to comment on the proposals set out at Appendices 2 and 3 to the report. A number of proposed changes, the consultation responses received from the consultation and the results of the Polling Places reviewed were set out in the report.

It was noted that reference in paragraph 3.4.4 to Great Totham North should be Maldon North.

The Leader of the Council advised that the proposed changes would come into effect following the General Election. He then proposed that the recommendations as set out in the report be approved. This was duly seconded and agreed.

RESOLVED

- (i) That the contents of the report be noted;
- (ii) That no changes to the Polling Districts be made;
- (iii) That the changes to Polling Places as set out below, be agreed to come into force following the General Election on 12 December 2019:
 - **Maldon North** – The polling place be moved from Maldon Stadium to Blackwater Leisure Centre.
 - **Mayland** – The polling station at Henry Samuel Hall be moved on a temporary basis to Lawling Park Hall.

18. SUPERFAST ESSEX UPDATE

Councillor Mrs P A Channer reminded Members of her earlier declaration of interest and left the chamber at this point. At this point Councillor M F L Durham clarified that the pecuniary interest declared by Councillor Mrs Channer did not relate to him.

The Council considered the report of the Director of Strategy, Performance and Governance, providing an update on Superfast Broadband and the status of the outstanding deployment investment payment owed to Superfast Essex.

The report provided background information on Superfast Essex, the County's broadband improvement programme, coordinated by Essex County Council (ECC) and the agreement for funding between the Council and ECC. Appendix 1 to the report outlined the premises which would benefit specifically as a result of the Maldon District Council (MDC) funding agreed. Members were reminded that in 2016 the Council had agreed to contribute £45,000 paid over three years of the duration of Phase 2a, as part of the Essex wide programme.

Appendix 2 to the report provided an update, as of August 2019, on the current Superfast broadband service available. Members were advised that longer term roll out figures were on track and likely to be surpassed. Superfast Essex had advised that payment of the outstanding monies was now essential to allow the project to continue.

The Leader of the Council proposed that the recommendation as set out in the report be agreed. This proposal was duly seconded.

In response to a question regarding access to Superfast Broadband in a specific area in the District Members were reminded that Superfast Essex would cover 91% of the District and the projects website provided a facility where it was possible to check on the status of broadband to specific locations.

The Chairman put the proposal of the Leader of the Council and this was duly agreed.

RESOLVED that the £45,000 monies outstanding be paid to Superfast Essex as per the resolution of the Council at its Statutory Annual meeting in May 2016.

Councillor Mrs Channer returned to the chamber at this point.

19. A12 CHELMSFORD TO A120 WIDENING SCHEME - OCTOBER 2019 UPDATE

The Council considered the report of the Director of Strategy, Performance and Governance notifying Members of the Preferred Route Announcement (PRA) for the A12 Chelmsford to A120 widening scheme and seeking view on the Council's draft response to the Junction 23 – 25 route options public consultation.

The report highlighted the consultation and provided detailed background information. The Council's proposed consultation response was set out within the report and it was noted that although indicative the improvements proposed for the A12 aimed to improve the long-term capacity, traffic flow and safety of the A12. Members were advised that there would be further public consultation on the detailed design of the whole route in 2020 before Highways England applied for the Development Consent Order in 2021.

The Leader of the Council proposed the recommendation as set out in the report be approved. This was duly agreed.

RESOLVED that the proposed response to the public consultation for A12 Junctions 23 – 25, as set out below, be agreed:

That the Council's response continues to support the concept of bypassing the old A12 between Feering and Marks Tey, but that it provides a neutral response in terms of route preference.

20. ADOPTION OF FREEMAN / FREEWOMAN SCHEME

The Council considered the report of the Director of Strategy, Performance and Governance, updating Members on progress relating to a Freeman / Freewoman Scheme of the District of Maldon and seeking its progression.

The Council at its meeting on 25 July 2019 agreed to consider the establishment of a scheme for conferring of the honorary titles of Alderman, Alderwoman, Freeman and Freewoman of the District. A Working Group was appointed to make recommendations on establishment of the scheme. The Minutes of the Working Group were attached as Appendix 1 to the report. The Working Group had produced a Terms of Reference, nomination form and guidance notes as to the route by which nominations were received and these were attached as Appendices 2 and 3 to the report.

The Leader of the Council thanked the Members of the Working Group for their work in developing this Scheme. He proposed that the Working Group Membership be amended and be comprised of the following Members:

- Chairman of the Council;
- Leader of the Council;
- Leader of the Opposition;
- Councillors M W Helm, S P Nunn and Miss S White.

The Leader then proposed subject to the above amendment that the recommendations as set out in the report be agreed. This was duly agreed.

RESOLVED

- (i) that the adoption of a Freeman / Freewoman Scheme for the District of Maldon encompassing the Alderman Scheme and including a revenue provision in the sum of £500 within 2020 / 21 estimates be approved;
- (ii) that subject to (i) above, the terms of reference for the Freeman and Freewoman Working Group (the Working Group) as set out within Appendix 2 to the report be agreed;
- (iii) that subject to (i) above, the change to the Membership of the Working Group as set out below be agreed:
 - Chairman of the Council;
 - Leader of the Council;
 - Leader of the Opposition;
 - Councillors M W Helm, S P Nunn and Miss S White.
- (iv) that subject to (i) above; the nomination form and guidance notes as recommended by the Working Group as set out within Appendix3 to the report be agreed;
- (v) that subject to (i) above; that the Working Group is given authority to meet and consider nominations as and when necessary and make recommendations to the Council for consideration;
- (vi) that subject to (i) above; that Council presents future recipients of the Award with a certificate as recommended by the Working Group and the use of the Council official Seal in this connection be agreed.

21. APPOINTMENT OF REPRESENTATIVES ON LIAISON COMMITTEES

The Council considered the report of the Director of Strategy, Performance and Governance, seeking nominations to serve on two Liaison Committees / Panels for the ensuing municipal year.

The Chairman advised that appointment to the Sense of Place Board had been agreed at an earlier part of this meeting. The Leader of the Council then proposed that the Member representative for Heritage and Design be the Chairman of the Council or his representative. This was duly agreed.

RESOLVED that the Member representative for Heritage and Design be the Chairman of the Council or his representative.

22. MEMBERSHIP OF THE PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE

RESOLVED that Councillor B S Beale MBE replace Councillor K M H Lagan on the Performance, Governance and Audit Committee.

23. SCHEDULE OF MEETINGS 2019 / 20

The Chairman advised that this item of business had been withdrawn as the Overview and Scrutiny Committee meeting it related to had been cancelled.

24. QUESTIONS TO THE LEADER OF THE COUNCIL IN ACCORDANCE WITH PROCEDURE RULE 1 (3)(M)

Councillor R P F Dewick referred to the late delivery of accounts and asked the Leader of the Council if he could confirm the steps being taken to ensure the 2019 / 20 accounts would be delivered on time. In response the Leader paid tribute to the former Director of Resources (Section 151 Officer) and the tremendous amount of work that she had done whilst at the Council. He reported that she had taken up a new role with Capita PRC and wished her every success in this role. In response to the question, the Leader advised that he had asked the Interim Section 151 Officer to assess the situation along with reviewing resources to ensure the right people were in place to deliver the accounts. He confirmed that work in respect of the 2019 / 20 accounts was being delivered on an ongoing basis and therefore these would be delivered on time. Members were advised at this point that the Council had successfully recruited into the post of Director of Resources and the new post holder would be starting early in the new year.

Councillor M F L Durham asked the Leader of the Council following a large amount of public interest in the future of Canada Wharf if he could confirm that Maldon Yacht Club (the Yacht Club) would be included in discussions regarding the future of the site. In response to the question, the Leader of the Council referred to the good work of the Yacht Club and as a responsible landlord how the Council would consider the community benefit alongside enterprise in respect of Canada Wharf. He advised that the Council had agreed to extend the Yacht Club's lease which allowed time to work

closely with them to explore shared opportunities on the site. The Leader confirmed that the Council would be working with Maldon Yacht Club to establish if they wished they would be included in future plans.

Councillor RH Siddall raised a point of order but was advised by the Chairman that this was not valid.

Councillor M W Helm, as Chairman of the Overview and Scrutiny Committee, asked the Leader of the Council if he agreed with him that should a Member wish to make a complaint or raise an issue regarding another Member they should contact the Monitoring Officer. The Leader of the Council agreed with Councillor Helm and referred to the Council conducting its business in a professional way and how if this was not possible, the use of emergency powers would be used, which could exclude Members from the decision-making process. He advised that if any Member had anything to say about other Members they should raise this with the Monitoring Officer.

Councillor W Stamp asked, in the interest of openness and transparency, if the Leader of the Council could assure her that any amendments no matter how minor to Terms of Reference for relevant Committees, Sub-Committees or Working Groups would be brought to the Council for approval / refusal and not carried out in the respective meetings. She also sought assurance that this had not occurred in this municipal year without Council approval. In response the Leader of the Council advised that it was his understanding that when a Working Group was formed the Terms of Reference could be reviewed by the Working Group, but would then come back to the appointing body for approval. He advised Members to raise any questions with the Director of Strategy, Performance and Governance. The Chairman informed Members that as far as he was aware as Chairman of the Council there had not been any changes to the criteria of a Working Group agreed without them going back to its parent body.

Councillor C Morris asked a question to the Leader of the Council regarding a statement he had made earlier in the meeting. In response the Chairman advised that the Leader of the Council had answered the points raised. Councillor Morris disputed this, and a debate ensued with the Chairman during which the Monitoring Officer provided advice. This caused some disruption to the meeting and in light of this the Chairman proposed that in accordance with Procedure Rule 10 Councillor Morris no longer be heard. This motion was duly seconded. In accordance with Procedure Rule No. 13 (3) Councillor C Morris requested a recorded vote. The Chairman put the motion to the Council and the voting was as follows:

For the recommendation:

Councillors E L Bamford, Miss A M Beale, R G Boyce, Mrs P A Channer, R P F Dewick, M F L Durham, Mrs J L Fleming, A S Fluker, B E Harker, M W Helm, A L Hull, C P Morley, Mrs M E Thompson and Miss S White.

Against the recommendation:

Councillors M G Bassenger, B S Beale, V J Bell, M R Edwards, M S Heard, K M H Lagan, C Mayes, C Morris, S P Nunn, N G F Shaughnessy, R H Siddall, W Stamp and J Stilts.

Abstention:

Councillor C Swain.

The Chairman advised that the motion had therefore been carried and the Member would no longer be heard at the meeting and anything he said would not be minuted.

In response to a question the Chairman advised that there would not be any further questions to the Leader and the Council would move to the next item of business.

25. EXCLUSION OF THE PUBLIC AND PRESS

Prior to voting on the proposal to exclude the public and press and in response to a question raised regarding why the following item of business was being considered in private session, the Director of Strategy, Performance and Governance advised that this was due to the report containing figures that related to contracts.

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

26. FULL COUNCIL TRANSFORMATION: GATEWAY REVIEW

The Council considered the report of the Director of Strategy, Performance and Governance presenting the fourth quarterly gateway review of the full Council Transformation Programme as agreed by the Council on 9 August 2018. The report gave assurance on the governance arrangements in place for the programme and the oversight given by the Council's Transformation Board and officer led Programme Delivery Board. The latest Transformation Board report was attached at Appendix 1 to the report and Appendix 2 provided detail of the equality analysis undertaken. The Transformation Programme Governance and Terms of Reference were attached at Appendix 3.

The Council's Medium-Term Financial Strategy was set out in the report along with the forecast savings to be achieved through delivery of the Future Model.

The Leader of the Council when presenting the report thanked the Corporate Leadership Team for their work and staff who had gone through the Transformation process. He also thanked the Deputy Leader and the Members of the Transformation Board.

27. ADJOURNMENT OF THE MEETING

At this point in the meeting the Chairman adjourned the meeting for a short break.

RESOLVED that the meeting of the Council be adjourned at 9:11pm.

28. RESUMPTION OF BUSINESS IN CLOSED SESSION

RESOLVED that the meeting of the Council be resumed in closed session at 9:20pm.

29. FULL COUNCIL TRANSFORMATION: GATEWAY REVIEW (CONTINUED)

The Leader of the Council proposed that the recommendations as set out in the report be agreed.

In response to a number of questions, the Director of Strategy, Performance and Governance provided Members with further information regarding savings achieved, redundancy costs, commercial projects and delivery of IT solutions.

The Chairman then put the Leaders' proposal to the Council and upon a vote being taken this was agreed.

RESOLVED

- (i) That Members review and comment on the contents of this report;
- (ii) that benefits realisation reports for Post Programme Activity are presented to the Council on a quarterly basis for the next 12 months (to November 2020);
- (iii) that a public report and press briefing is prepared for release.

There being no further items of business the Chairman closed the meeting at 9.38 pm.

**R G BOYCE MBE
CHAIRMAN**

**LOCAL GOVERNMENT BODIES
AND OUTSIDE BODIES (NOVEMBER 2019 – APRIL 2020)**

LOCAL GOVERNMENT BODIES:

BODY	REPRESENTATIVES FROM NOVEMBER 2019
East of England Local Government Association	Leader of the Council
Essex Local Government Association	Leader of the Council
Local Government Association	Leader of the Council

OUTSIDE BODIES (not appointed by Maldon District Council but involve Members of the Council):

BODY	REPRESENTATIVES FROM NOVEMBER 2019
Essex Partnership Board (Mid Essex representative)	Leader of the Council

OUTSIDE BODIES:

BODY	REPRESENTATIVES FROM NOVEMBER 2019
Blackwater Estuary Siltation Steering Group	Councillor A S Fluker
Bradwell Local Community Liaison Council	Councillors R G Boyce MBE, Mrs P A Channer CC, A S Fluker and Mrs M E Thompson
British Red Cross Society – Essex County Branch	Chairman of the Council
Drapers Farm Sports Club Committee	Councillor Miss S White
Essex Coastal Forum	Councillor M F L Durham, CC <i>Substitute: Councillor A S Fluker</i>
Essex Countywide Traveller Unit Committee	Councillor M F L Durham CC
Essex Flood Partnership Board	Councillor Miss S White <i>Substitute: Councillor Mrs P A Channer, CC</i>
Essex Planning Policy Portfolio and Chairman's Group	Chairman of the Strategy and Resources Committee <i>Substitute: Vice-Chairman of the Strategy and Resources Committee.</i>
Essex Waste Inter Authority Agreement Member Working Group	Chairman of the Performance, Governance and Audit Committee <i>Substitute: Vice-Chairman of the Performance, Governance and Audit</i>
Essex Waste Member Partnership Board	Chairman of the Strategy and Resources Committee <i>Substitute: Vice-Chairman Strategy and Resources Committee</i>

**LOCAL GOVERNMENT BODIES
AND OUTSIDE BODIES (NOVEMBER 2019 – APRIL 2020)**

BODY	REPRESENTATIVES FROM NOVEMBER 2019
Joint Bradwell Member Board (JMBB) (Council 29/10/18)	Leader and Deputy Leader of the Council Chairman and Vice-Chairman of the Strategy and Resources Committee (subject to confirmation by the JMBB)
Livewell Partnership Group	<u>Six Members of the Council:</u> Councillors E L Bamford, Mrs P A Channer CC, B E Harker, M W Helm, Mrs M E Thompson and Miss S White
Local Area Highways Panel	Councillors B E Harker, M W Helm and Mrs M E Thompson
Local Government Association Coastal Issues Special Interest Group	Councillor A S Fluker <i>Substitute: Councillor M F L Durham, CC</i>
Local Government Flood Forum	Councillor A S Fluker <i>Substitute: Councillor M F L Durham, CC</i>
Maldon and District Youth Strategy Group	Councillor A L Hull
Maldon Harbour Improvement Commissioners <i>This position is an appointment as a Commissioner for a minimum period of three years (appointment will continue even if Member leaves the Council)</i>	Councillor A S Fluker (until June 2021 – three-year appointment)
Maldon Locality Board	Leader of the Council Deputy Leader of the Council Leader of the Opposition (or representative) Chairmen (or Vice-Chairman) of the Performance, Governance & Audit and Strategy & Resources Committees
Maldon Operational Group (Previously Maldon Health Hub)	Councillors Mrs P A Channer, CC and Miss S White
Maldon Sure Start	Councillor A L Hull <i>Substitute: Councillor Miss S White</i>
Mid Essex Hospital Services NHS Foundation Trust – Council of Governors	Councillor Miss S White
Parking and Traffic Regulations outside London Adjudication Joint Committee (PATROL)	Councillor M F L Durham, CC <i>Substitute: Councillor A S Fluker</i>
Plume Educational Trust (Four yearly appointment)	Councillor R H Siddall (from June 2019 to June 2023) P G L Elliott (from June 2017 to June 2021)
Police and Crime Panel	Councillor M W Helm <i>Substitute: Councillor A S Fluker</i>

**LOCAL GOVERNMENT BODIES
AND OUTSIDE BODIES (NOVEMBER 2019 – APRIL 2020)**

BODY	REPRESENTATIVES FROM NOVEMBER 2019
Responsible Authorities Group (RAG) (Community Safety)	Councillor A L Hull <i>Substitute: Councillor Miss S White</i>
Sense of Place Board	Chairman of the Strategy and Resources Committee <i>Substitute: Vice-Chairman of the Strategy and Resources Committee</i>
South Essex Parking Partnership – Joint Committee	Councillor M F L Durham, CC <i>(If a substitute is required, must notify the Committee 30 minutes prior to the start of a meeting)</i>
Southend Airport Consultative Committee	Councillor A S Fluker
Southminster Heritage Economic Regeneration Scheme Steering Group	Councillor A S Fluker
Stow Maries Aerodrome Consultative Committee (Appointed 20/12/18)	Councillor Mrs P A Channer CC and Miss S White
The Thomas Plume Library Charitable Incorporated Organisation	Leader of the Council <i>Substitute: Deputy Leader of the Council</i>
West Maldon Community Association Management Committee	Councillor M S Heard

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WORKING GROUPS (NOVEMBER 2019 – APRIL 2020)

Working Group	Membership from November 2019
Asset Management Working Group	<u>Six Members of the Council:</u> Councillors E L Bamford, Mrs P A Channer CC, Mrs J L Fleming, B E Harker, M W Helm and Miss S White Leader and Deputy Leader of the Council
Corporate Governance Working Group	Councillors Mrs P A Channer CC, A S Fluker, B E Harker, R H Siddall and Miss S White
Corporate Projects Member Task and Finish Working Group <i>(Appointed by the Council on 8 September 2016)</i>	<u>Six Members of the Council:</u> Councillors E L Bamford, Mrs P A Channer CC, A S Fluker, M W Helm, Mrs M E Thompson and Miss S White
Strategic Housing Board <i>(Council 16 February 2017 – Minute No, 991 refers)</i>	<u>Six Members of the Council:</u> Councillors E L Bamford, Mrs P A Channer CC, Mrs J L Fleming, M W Helm, Mrs M E Thompson and Miss S White

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**MINUTES of
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE
28 NOVEMBER 2019**

PRESENT

Chairman	Councillor E L Bamford
Vice-Chairman	Councillor K W Jarvis
Councillors	B S Beale MBE, Mrs P A Channer, CC, A S Fluker, B E Harker, M S Heard, S P Nunn, W Stamp, C Swain and Mrs M E Thompson
In Attendance	Councillors M W Helm and C Morris

1. CHAIRMAN'S NOTICES

The Chairman drew attention to the list of notices published on the back of the agenda. She then welcomed Councillor B S Beale, MBE, to the Committee.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors M F L Durham and J Stilts.

3. MINUTES OF THE LAST MEETING

RESOLVED

- (i) That the Minutes of the meeting of the Committee held on 24 October 2019 be received.

Minute No. 485 – Appointment of Vice-Chairman

Pg. 494, final sentence in the first paragraph should read ‘The Chairman advised that she would take the proposal in the name of Councillor E L Bamford first’ **not** “Councillor Mrs Thompson first”.

Pg. 494, under **RESOLVED** it should read ‘K W Jarvis’, **not** “J W Jarvis”.

Minute No. 491 – Appointment of Representatives on Liaison Committees/Panels

Pg. 498 that the representative listed on page ten in the table opposite Maldon District Citizen’s Advice Bureau should read ‘K W Jarvis’ **not** “J W Jarvis”.

In addition to the above typographical revision, Councillor Heard raised concerns regarding the content of minute 491 – Appointment of Representatives on Liaison Committees/Panels- as he felt it was incomplete and read like a passing reference to the issue he raised at the previous meeting, as opposed to representing his detailed comments on the matter.

The Chairman proposed that since some members felt the content of minute 491 was accurate whilst others did not, a vote be taken to resolve the matter and agree the minute.

In accordance with Procedure Rule No. 13 (3) Councillor Heard requested a recorded vote on the accuracy of minute 491 and this was seconded by Councillor Stamp.

Against the minute as recorded on 24/10/2019:

Councillors B S Beale, MBE, M S Heard, S P Nunn, W Stamp and C Swain

For the minute as recorded on 24/10/2019:

Councillors E L Bamford, Mrs P A Channer, A S Fluker, B E Harker, K W Jarvis and Mrs M E Thompson

The Chairman declared that the vote to agree minute 491 as an accurate record was carried.

RESOLVED that subject to the above amendments the Minutes of the meeting of the Committee held on 24 October 2019 be confirmed.

4. DISCLOSURE OF INTEREST

Councillor Channer declared a non-pecuniary interest as a Member of Essex County Council (ECC) on any agenda items pertaining to that organisation. She mentioned, in particular, those items that referenced the Pension Board as both ECC and Maldon District Council (MDC) were members.

5. PUBLIC PARTICIPATION

No requests had been received.

6. REPORT OF THE EXTERNAL AUDITOR ON THE AUDIT FOR THE YEAR ENDED 31 MARCH 2019

The Committee considered the report of the Interim Section 151 Officer together with the External Auditor report for the year ended 31 March 2019 (2018/19), attached at appendix 1, that reported the key findings of External Auditor's audit to those charged with governance, prior to issuing their opinion on the 2018/19 Statement of Accounts.

The External Auditor from Deloitte LLP took the Committee through the report referring to the key sections. He drew Members' attention to the introduction on page 19, pointing out that they were now at the final stages of completion with just a few

quality checks outstanding. He reassured Members that these would be completed within the next few days and that there had been no material changes required to the accounts.

With reference to arrangements for value for money (VFM) he said that overall the Council had appropriate arrangements in place and in terms of management override controls there was no indication of bias or override from management. Furthermore, investment property valuations were now within an acceptable range. He advised that all areas had been benchmarked against the External Auditor's actuarial team assumptions, resulting in a satisfactory outcome. He was expecting to issue an unqualified clean opinion on the final version of accounts.

He then highlighted the summary of challenges faced by External Audit in undertaking the audit and the rationale for the additional fees incurred. He clarified that a buffer had been built in from the outset to allow for a settling in period as new auditors. However, the additional charges were for hours over and above that, as a result of the delay in production of the final accounts.

In response to questions from Members he responded as follows:-

- That the overwhelming delay in the production of the accounts was due mainly to the large turnover of staff in Finance and the loss of corporate memory, resulting in delays on production of key working papers;
- That the issues raised in the 'Other Significant Findings' section of the report, if left unresolved, would prove significant. He suggested that Officers provide an update on what has been done and what processes have been introduced to address these issues, for submission to a future committee.
- That the corporate knowledge had been re-built and Members could take some assurance from the fact that the base numbers the system had originally generated were correct. It had been difficult to prove because of lack of corporate knowledge.

The Interim Section 151 Officer reaffirmed that corporate knowledge had been reconstructed, hence the ability to produce the working papers for the External Auditors, to allow for the production of the draft final accounts.

In response to a question on financial impact he explained how the pension accounting system worked in that the impact was on the pension reserve and not directly on the Council's accounts. The Council followed two reporting formats, the International Financial Reporting Standards (IFRS) and the Statutory Requirements to account for income and expenditure. The two are married up and the impact is put into a pension reserve which smooths out the effects of the pension liability on the Council year on year. This was reviewed by the Actuary at year end, so there was no direct impact on the Council's accounts.

On the issue of future proofing against a recurrence of the delays, the Interim Section 151 Officer assured the Committee that he was putting in place a succession plan, a detailed handover and action for the new incumbent. He said that these arrangements, alongside the refreshed corporate knowledge, should ensure timely production of next year's accounts.

It was noted that the signed opinion of the External Auditor would be with the Council early week commencing 2 December 2019.

The Chairman thanked the External Auditor for a comprehensive report and a thorough job undertaken by all involved.

The Chairman put the recommendations to the Committee and they were noted.

RESOLVED

- (i) The Committee noted the unadjusted misstatements in the appendix to the report of the external auditor on the audit for the year ended 31 March 2019 (appendix 1) which were below the auditor's materiality level and therefore not required to be adjusted and explained in paragraph 3.3 of this report;
- (ii) That Members formally noted the opinion of the Auditor on the draft Statement of Accounts;
- (ii) That in all other respects the report of the External Auditor was noted.

7. DRAFT ANNUAL GOVERNANCE STATEMENT 2018/19

The Committee considered the report of the Interim Section 151 Officer together with the Annual Governance Statement (AGS) 2018/19 attached at appendix 1.

The Interim Section 151 Officer explained the context to the Annual Governance Statement. The Council had a statutory obligation to publish the AGS in accordance with the official guidance from SOLACE and the Chartered Institute of Public Finance & Accountancy (CIPFA). The Statement related to governance arrangements in place in 2018/19, with the exception of a forward looking commentary at section 6 on the *Full Council Transformation*.

Councillor Jarvis, referring to Section 6 – *Full Council Transformation* - said that there should be reference to the Performance, Governance and Audit Committee's responsibility in relation to the Annual Governance Statement. He further suggested that under Section 7 – *Other Issues* - there should be comment on the Committee's role in identifying the failure to deliver the accounts and how it worked to rectify the situation.

The Interim Section 151 Officer proposed that the Committee approve the Statement of Accounts subject to the inclusion of the changes put forward by Councillor Jarvis. The wording of the changes to be drafted by the Interim Section 151 Officer and agreed in consultation with the Chairman. This was seconded by Councillor Heard.

Councillor Heard, referring to mention of the Standards Committee in section 3.1.3 raised the issue of the makeup of the membership of that committee. It was clarified that in this instance the reference within the AGS was solely in respect of the Terms of Reference for that Committee. Should Members have issues around the membership/political balance of a respective committee, these should be addressed to the Monitoring Officer.

Councillor Channer, also addressing section 3.1.3, asked what the process was for declarations of interest in respect of staff, as the process was clear for Members. The Director of Strategy, Performance and Governance confirmed that there was a register for staff and a link would be circulated to Members.

The Chairman then put the recommendations, along with the proposed additions from Councillor Jarvis, to the Committee and they were agreed.

RESOLVED

- (i) That the Annual Governance Statement 2018/19, attached at appendix 1 be approved subject to the inclusion of additional information under Sections 6 and 7, as proposed by Councillor Jarvis, the wording to be agreed in consultation with the Chairman, subsequent to the meeting;
- (ii) That the Annual Governance Statement 2018/19 be certified by the Leader of the Council, the Director of Service Delivery and Head of Paid Service and the Director of Strategy, Performance and Governance.

8. DRAFT STATEMENT OF ACCOUNTS 2018/19

The Committee considered the report of the Interim Section 151 Officer that provided the latest position on the external audit of the statement of accounts and presented the draft Statement of Accounts for 2018/19 (subject to audit) at appendix 1, that were still subject to ongoing external audit work.

The Interim Section 151 Officer took the Committee through the report. He advised that the Council had undertaken the final checks and these were now with the External Auditors for completion early week commencing 2 December 2019, in anticipation of the External Auditor's opinion. The figures in the Statement of Accounts at appendix A would remain the same as they were the true and fair set of figures.

He advised the next steps in the approval process, namely, once clearance was received the Interim Section 151 Officer signed the accounts followed by the Chairman. Signed copies were then submitted to the External Auditors who then provided the Council with the signed-off accounts and signed-off Audit opinion. Both documents would then be published on the Council's website and made available for purchase at the Council Offices.

In response to questions the Interim Section 151 Officer advised the following:-

- That there were no penalties attached to late publication, the Council had been open and transparent by publishing a notice regarding the delay on the website;
- That this was the first time the Council had been late in publishing the accounts;
- That a number of local authorities were in the same position and the Government had appointed a practitioner to investigate why this had happened to so many this year.

Given the need for ownership of the situation and probity Councillor Nunn proposed that the Committee opt for recommendation (iii). This was duly seconded by Councillor Heard.

In response to concerns regarding the differences between the actual and revised budget the Interim Section 151 Officer said this had been impacted by the Council operating the original structure half year and the new structure the other half. Given the complexity of the issue he said he would circulate a written response to the Committee after the meeting.

At this point Councillor Harker proposed that the Committee adopt recommendation (ii). The Chairman reminded the Committee that there was already a proposal on the table from Councillor Nunn for recommendation (iii) that had been duly seconded.

In light of the second proposal Councillor Nunn, in accordance with Procedure Rule No. 13 (3) proposed that a recorded vote be taken on his original proposal for recommendation (iii). This was seconded.

The Chairman then put recommendation (iii) *Recommend to Council for approval of the final Statement of Accounts for 2018/19 once the External Auditor's Opinion on the accounts and the judgement for Value for Money has been received* to a recorded vote and it was carried.

For the recommendation:

Councillors B S Beale, MBE, Mrs P A Channer, A S Fluker, M S Heard, K W Jarvis, S P Nunn, W Stamp, C Swain and Mrs M E Thompson,

Against the recommendation:

Councillor B E Harker

RECOMMENDED that the final Statement of Accounts for 2018/19, once the External Auditor's Opinion on the accounts and the judgement for Value for Money had been received, be approved.

9. ANNUAL AUDIT AND CERTIFICATION OF FEES 2019 / 20

The Committee considered the report of the Interim Section 151 Officer that informed the Performance, Governance and Audit Committee of the audit fee for Deloitte LLP, the Council's External Auditor for the year to 31 March 2020 (financial year 2019/20).

The External Auditor addressing the report advised that it outlined the standard fee in accordance with Deloitte's contract with Public Sector Audit Appointments Limited (PSAA), setting out the scale of fee for 2019/20.

The Chairman put the recommendation to the Committee and it was noted.

RESOLVED that the content of this report be noted.

10. INTERNAL AUDIT PROGRESS REPORT OCTOBER 2019

The Committee considered the report of the Interim Section 151 Officer that provided, by way of appendices, a number of reports issued by BDO LLP, the Council's Internal Audit Service provider.

The Internal Auditor from BDO drew the Committee's attention to page 127 of the pack that outlined progress against the audit plan thus far. Attached at appendix 1 was the Progress Report, appendix 2 the Follow-up of Recommendations report and at appendix 3 the final report on Procurement and Contract Management.

She advised that audit reports on IT Disaster Recovery and Key Financial Systems would be submitted to the next Performance, Governance and Audit Committee and that the start date for the Reports Management audit had been agreed as December 2019.

In conclusion she reported that following discussions with CLT changes to the Audit Plan would be around timings from Quarter 1 to Quarter 4. This would not impact on the content of the work, only the timings for submission.

Councillor Jarvis requested that account production be included in the internal audit plan for 2019/20. The Internal Auditor confirmed that this would be included in the next iteration of the plan, to be submitted to a future Committee.

The Chairman put the recommendations to the Committee and they were agreed.

RESOLVED that the Committee considered and commented on:

- (i) Internal Audit Progress Report November 2019 at appendix 1;
- (ii) Internal Audit Follow Up of Recommendations November 2019 at appendix 2 and,
- (iii) Procurement and Contract Management November 2019 Final at appendix 3

11. QUARTERLY REVIEW OF CORPORATE RISK AND PERFORMANCE

The Committee considered the report of the Director of Strategy, Performance and Governance in accordance with the Risk Management Policy that required this Committee to undertake a quarterly review of the Corporate Risk Register as assurance that the corporate risks are being managed effectively. Appendix 1 to this report provided an updated position on the full Corporate Risk Register (CRR) as at the end of Quarter 2 (30 September 2019).

It was further noted that the Corporate Performance framework required this committee to undertake a quarterly review of the Thematic Strategy's performance, as assurance that performance was being managed effectively to achieve the Corporate outcomes, and, where necessary, make consensus suggestions for improvement. Appendix 2 provided the first view of performance as of the end of Quarter 2 (Q2) (30 September 2019). These two reports have been simplified to bring together a clear picture of performance and risk. Online versions were available to view on the Members SharePoint site using the following link: [Corporate Risk & Performance Report](#)

The Director of Strategy, Performance and Governance introduced the item informing the Committee that this was the new way of presenting the quarterly corporate risk and performance framework. He then deferred to the Programmes, Performance and Governance Manager to take the Committee through the item in more detail.

The Programmes, Performance and Governance Manager, addressing the appendices to the report, said that the approach was focussed on monitoring of the Corporate Plan. She advised that pages 185, 189 and 194 contained the high level data and should Members wish to drill down further pages 86 and 87 contained the detailed data behind the high level. The objective was to monitor what the Council said it would achieve and demonstrate performance against the agreed Thematic Strategies.

As an example, she took the Committee through the Community Thematic Strategy noting the various categories of performance, namely 'on track all areas', 'not on track', 'on track with conditions' and 'under construction'. Those in the latter category comprised areas not previously monitored or awaiting outcomes from work being undertaken. An example was the outcomes from the Resident Survey due to be completed Friday 29 November 2019, which would impact the performance categories.

In conclusion the Programmes, Performance and Governance Manager said that she welcomed feedback on the new framework to determine if this met with Member expectation on performance management.

The Chairman, acknowledging that this was a new system for all present, suggested that Members might benefit from a separate session. This was supported, to be co-ordinated by the Programmes, Performance and Governance Manager prior to a future meeting.

Councillor Heard added that he liked the new presentation with graphs etc. but felt it would benefit from the use of Red, Amber, Green (RAG system) with Blue for completion. This was noted.

The Committee as a whole welcomed the new approach, noted that focus was correctly on performance within the Council, not wider, and thanked the Programmes, Performance and Governance Manager and her colleagues for their hard work.

The Chairman put the recommendations to the Committee and they were agreed.

RESOLVED

- (iii) That Members reviewed the information as set out in this report and appendices 1 and 2 and their views and comments were sought;
- (iv) That Members were assured through this review that corporate risk and performance are being managed effectively;
- (v) That Members challenged performance or risk where the Committee felt that the Council's corporate goals may not be achieved;
- (vi) That Members questioned Members and Officers on decisions and performance, relating to comparisons with the Corporate Plan outcomes or in respect of decisions, initiatives or projects

12. ADOPTION OF A NEW RISK MANAGEMENT POLICY

The Committee considered the report of the Director of Strategy Performance and Governance that provided a risk management policy update and identified working principles for adoption. The key aim was to address recent risk audit recommendations through the revision of the Corporate Risk Management approach.

The Director of Strategy, Performance and Governance deferred to the Programmes, Performance and Governance Manager to take the Committee through the report.

In summary she said that the report covered the outcomes from a recent audit and was a revision to the existing policy, with not a huge amount of change. The main recommendations from the audit were to move to a 5 point performance matrix and tidy up processes and procedures internally going forwards. The policy also defined how service managers should be managing risk. She welcomed Members' feedback and approval of the policy if deemed appropriate.

A debate ensued around the usefulness of this approach and the scoring system. It was acknowledged that the approach was consistent with other like organisations and in accordance with guidance from the Council's Internal Auditors. The consistency in approach was further corroborated by Councillor Nunn who had previous experience of risk management policies.

Councillor Jarvis said that he was happy to approve the recommendations as outlined in the report.

The Chairman put the recommendations to the Committee and they were agreed.

RESOLVED

- (i) That the revised Risk Management Policy (appendix A) to reflect external developments in the area and in line with a recent risk audit report be adopted;
- (ii) That the roles and responsibilities of risk management be approved;
- (iii) That a new 5-point risk scoring matrix be approved.

13. CORPORATE HEALTH AND SAFETY REPORT

The Committee considered the report of the Director of Service Delivery that provided an update on corporate health and safety activity from 1 July to 30 September 2019 (quarter two) and to show progress with the health and safety action plan for 2019-20.

The Director of Service Delivery took the Committee through the report and the Action Plan. He advised the Committee that the Health and Safety Executive (HSE) had inspected the depot facility at Promenade Park. As a result, a notice had been issued delineating where staff and vehicles were located with the use of barriers.

He reported that the Council had separately and prior to the HSE visit engaged a Health & Safety Consultant to identify any improvements in the Council's Health & Safety

activities in this service area, make recommendations on improvement and, ahead of the summer season, prepare the team for 2020.

The Chairman put the recommendations to the Committee and they were agreed.

RESOLVED

- (i) That the accident and incident statistics for the quarter were considered;
- (ii) That progress with the health and safety action plan 2019/20 were considered;
and,
- (iii) That information pertaining to corporate health and safety matters were considered

14. ANY OTHER ITEMS OF BUSINESS THAT THE CHAIRMAN OF THE COMMITTEE DECIDES ARE URGENT

The meeting closed at 9:11pm.

E L BAMFORD
CHAIRMAN



**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
5 DECEMBER 2019**

PRESENT

Chairman	Councillor B E Harker
Vice-Chairman	Councillor Miss S White
Councillors	Mrs P A Channer, CC, M R Edwards, A S Fluker, A L Hull, K M H Lagan, C Mayes, N G F Shaughnessy, R H Siddall, N J Skeens, Mrs J C Stilts, C Swain and Mrs M E Thompson

1. CHAIRMAN'S NOTICES

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

2. APOLOGIES FOR ABSENCE AND SUBSTITUTION NOTICES

Apologies for absence were received from Councillors R G Boyce MBE and Mrs J L Fleming.

In accordance with notice duly given Councillor M W Helm was attending as a substitute for Councillor Boyce and Councillor E L Bamford was attending as a substitute for Councillor Mrs Fleming.

3. MINUTES OF THE LAST MEETING

RESOLVED

- (i) that the Minutes of the Strategy and Resources Committee held on 17 October 2019 be received.

Minute 464 – Appointment of Chairman and Vice-Chairman

It was noted that Councillor M S Heard had raised the accuracy of this Minute at the Council meeting on 21 November 2019, where it was agreed that this matter would be considered by this Committee at its next meeting.

Members were advised that following review of the sound recording of the meeting, the following amendments to this Minute were suggested:

“Prior to consideration of this item of business, the Director of Strategy, Performance and Governance welcomed everyone to the first meeting of the Strategy and Resources Committee. He advised that he was in the chair to start

proceedings and deal solely with the appointment of the Chairman and Vice-Chairman of the Committee.

At this point, Councillor R G Boyce made a proposal in respect of the appointment of the Chairman of the Committee. ~~He then raised a point of order requesting that his proposal should be put to the vote.~~ In response, the Director of Strategy, Performance and Governance advised that nominations for the positions of Chairman and Vice-Chairman had not yet been sought.

With permission, Councillor M S Heard addressed the Committee asking Members to consider the appointment of an independent Chairman or Vice-Chairman. ~~During this Councillor Boyce raised a point of order requesting that his proposal should be put to the vote. The Director of Strategy, Performance and Governance clarified that he had not yet reached nominations for Chairman and Vice-Chairman and that he was happy for Councillor Heard to continue.~~

The Director of Strategy, Performance and Governance called for nominations...”

These amendments were duly agreed by the Committee.

RESOLVED

- (ii) that subject to the above amendments, the Minutes of the Strategy and Resources Committee held on 17 October 2019 be agreed.

4. DISCLOSURE OF INTEREST

Councillor Mrs P A Channer disclosed a non-pecuniary interest as a Member of Essex County Council in any item on the agenda relating to the County Council. She made specific reference to Agenda Item 15 – 2020 / 21 Fees and Charges Policy.

5. PUBLIC PARTICIPATION

The Chairman advised that in accordance with the Public Speaking Protocol a request to speak had been received from Mr C Morris. Mr Morris then addressed the Committee in respect of Agenda Item 11 – Supplementary Estimates, Virements and Use of Reserves 1 April – 30 September 2019 and a response was provided by the Interim Section 151 Officer.

Councillor Morris left the meeting at this point and did not return.

6. REVIEW OF ADVICE SERVICES FUNDING 2020 / 21

Prior to considering the report, Mr Philip Wakeling and Ms Justine Southgate from the Maldon Citizens Advice (MCA) gave a short presentation to the Committee. The presentation outlined the work the MCA, the benefit to residents of the Maldon District and its plan for the next three years.

The Committee considered the report of the Director of Service Delivery, seeking Members' consideration of the implications for the reduction in funding to the MCA for 2019 / 20 and the levels of funding proposed for 2020 / 21.

The report provided background information regarding the MCA, its contract to deliver an Advice Service for the Council, the funding provided as part of this contract, reductions seen to funding and the impact that had been seen to services. A table within the report highlighted performance to date and it was noted that the MCA continued to deliver on all priorities set in the contract.

Members were asked to consider the funding levels to the MCA for 2020 / 21 and the report set out a number of options. Members discussed the options and the exceptional work of the MCA and the benefits this work brought to residents of the District was commented on. A number of Members spoke in support of the work of the MCA and how they felt the option to increase the funding to its previous level should be supported.

At this point, Councillor Mrs P A Channer declared that she was chairperson of a Maldon Advisory Hub Board which had had involvement with the MCA.

In response to a question, the Interim Section 151 Officer clarified that if Members agree to increase the funding as per recommendation (iv) in the report this would become a growth item and if the Council failed to find any other budget savings from 2020 / 21 this money would have to come from reserves.

Councillor B E Harker proposed from the chair that the Council be asked to accept recommendation (iv) as set out in the report to return funding of the MCA to the previous level of £73,000. Upon a vote being taken this was agreed. It was further clarified that the proposal related to the increase from 1 April 2020.

In response to a question regarding creating a three-year rolling contract, the Interim Section 151 Officer advised that Officers would sit down with the MCA to look at a three year Service Level Agreement.

RESOLVED

- (i) That the contents of the report be noted;

RECOMMENDED

- (ii) That funding to the Maldon Citizens Advice is increased to the previous level of £73,500 from 1 April 2020.

7. HUMAN RESOURCES STATISTICS - QUARTER TWO 2019 / 20

The Committee received and noted the report of the Director of Strategy, Performance and Governance presenting Human Resources statistics for the period 1 July to 30 September 2019 (Quarter Two (Q2)).

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

- Labour Turnover;

- Recruitment, including vacancies;
- Staff Sickness Levels;
- Workforce Statistics – attached as Appendix 1 to the report;
- Future Model.

It was noted that there had been some challenges seen during this quarter due to staff redundancies and changes in the new structure. The new Council model went live within Quarter Three and it was reported that a period of greater stability should therefore be seen during this period.

In response to questions, the Director of Strategy, Performance and Governance provided the Committee with the following information:

- A monthly list of starters and leavers was available on the Council's intranet and should Members not be able to access the information other arrangements could be made.
- The profile of Mental Health First Aiders had been raised across all staff as part of the transformation process. The Director was unable to advise whether there had been an increase in the use of these as due to the confidential nature of their work records could not be kept and there was therefore no statistical information available.

RESOLVED that the contents of the report be noted.

8. MALDON MARKET ARRANGEMENTS

The Committee considered the report of the Director of Service Delivery seeking a time limited rolling extension to the current Maldon Market arrangements to enable Officers to deliver options for the provision of a Market in the future.

The report provided an update on the current operations of the Maldon Market in Butt Lane car park. It was noted however that the Market's offer remained limited to a few staff each week. Members were asked to consider a rolling extension to the Market to enable the new Prosperity Theme Lead and Commercial Manager to develop options for the future operation of a Market in Maldon Town.

In response to a question regarding involvement of the Maldon Market Working Group in discussions around the Maldon Market, the Director of Strategy, Performance and Governance advised that Officers would work with the Working Group to develop options for the future operation of the Market in Maldon. These recommendations would then be brought back to a future meeting of this Committee. The Chairman suggested that recommendation (ii) be amended to include reference to this work being in consultation with the Working Group.

Following further discussions it was agreed that recommendation (ii) be amended to include reference to consultation with the Maldon Market Working Group and that a meeting of the Working Group would take place no later than the end of March 2020. This amendment along with recommendation (i) as set out in the report were duly agreed.

RESOLVED

- (i) That a rolling extension to the current Maldon Market arrangements be agreed;
- (ii) That the Director of Service Delivery be instructed to work with the Maldon Market Working Group (to meet no later than the end of March 2020) and provide an update to the Strategy and Resources Committee no later than June 2020.

9. MALDON DISTRICT COUNCIL AFFORDABLE HOUSING AND VIABILITY SUPPLEMENTARY PLANNING DOCUMENT - CONSULTATION ON DRAFT AMENDMENT

The Committee considered the report of the Director of Strategy, Performance and Governance providing Members with an update on the recent consultation on the proposed amendment to the Affordable Housing and Viability Supplementary Planning Document (SPD).

The Affordable Housing and Viability SPD had been adopted by the Council in November 2018 but when applying the SPD an issue had arisen regarding part of the flow chart at Fig 2 on page 38 of the SPD. The report highlighted the proposed amendment to the SPD to resolve this, approved by the Planning and Licensing Committee in June 2019. It was noted that consultation on the amendment had taken place and a summary of the comments received were set out in the report.

In response to comments from the Committee regarding the changes made to the SPD, the Director of Strategy, Performance and Governance took Members through the amendments and advised that he could circulate a document which highlights the changes. It was agreed that if Members were mindful to agree recommendation (ii) a document showing the changes would be submitted to the Council.

The chairman then put the recommendations as set out in the report, with the addition of a further Appendix showing the changes (as detailed above). This was duly agreed.

RESOLVED

- (i) That the consultation and Officer responses as set out in this report be noted;

RECOMMENDED

- (ii) That the proposed amendments (**APPENDIX 1** to these Minutes) to the Affordable Housing and Viability SPD (attached as **APPENDIX 2**) be agreed.

10. RURAL SETTLEMENT LIST

The Committee considered the report of the Director of Resources presenting for approval the Rural Settlement List for 2020 / 21 (attached as Appendix A to the report) and consider Rural Rate Relief for eligible businesses.

It was noted that there had been no significant developments in the District and therefore no changes were proposed to the previously published Rural Settlement List.

In response to a question regarding what eligible business could claim rural rate relief, the Director of Service Delivery advised that he would provide this information to Members outside of the meeting.

RESOLVED that the Rural Settlement List for 2020 / 21 be approved.

11. SUPPLEMENTARY ESTIMATES, VIREMENTS AND USE OF RESERVES (1 APRIL - 30 SEPTEMBER)

The Committee considered the report of the Interim Section 151 Officer, reporting virements and supplementary estimates agreed under delegated powers and procurement exemptions granted. The report also reported on the use of the Repairs and Maintenance reserve during the year.

Members were advised that there had been two supplementary estimates approved during the period 1 April – 30 September 2019 and these related to:

- Reinstatement of grave stone topple testing (£5,000 recurring);
- Operational costs of delivery of the new Heybridge Basin ward (£16,000 non-recurring).

One procurement exemption had also been approved for the purchase of three second-hand vehicles for the parks department. It was noted that three vehicles were purchased rather than the two originally budgeted for.

There were no virements or drawback on reserves to report for this period.

RESOLVED that the supplementary estimates and procurement exemption detailed in the report be noted.

12. BUDGETARY CONTROL (APRIL - SEPTEMBER 2019)

The Committee received the report of the Interim Section 151 Officer providing Members with key financial information on the progress to date against the agreed budget. The report provided an update on the following areas and further details were set out in the related Appendices:

- Revenue budgets (Appendix 1);
- Vacancy savings (Appendix 2);
- Agency expenditure;
- Major sources of income;
- Capital projects (Appendix 3)

It was noted that there was concern regarding a significant shortfall in the various income streams within Development Control. However, other income was performing

as expected with some exceeding profiled budgets. It was reported that some expenditure and income was accounted for at the end of the year and not all income for this period was included in the report due to process lags. Members were advised that capital projects were progressing and the programme was expected to be completed within the financial year.

In response to a number of questions raised by the Committee, the following information was provided by the Interim Section 151 Officer:

- Agency costs were initially offset against any existing budgets where there were vacant posts and if a shortfall then these monies had to be allocated from other budgets and as a last resort, reserves. Members' attention was drawn to the HR statistics report received by this Committee which details vacant posts and any mitigating factors.
- Payments relating to Planning Performance Agreements were generally paid in relation to work done and therefore retrospective. The Interim Section 151 Officer advised that he would carry out a review and provide Members with further information in respect of these.
- It was noted that the dredging works detailed in the report under the Service Delivery Directorate variances related to an area by the Hythe Quay and not the River Blackwater itself.
- The variances relating to land charges were due to a dip in the property market and in addition, it was noted that land charges was now a competitive field which also had an impact.
- Cemetery income was showing an income of 99% against the profile for this half of the year and therefore income was higher than expected.

During the discussion Councillor A S Fluker declared that he was a Maldon Harbour Improvement Commissioner.

It was noted that where variances were listed under the Resources Directorate the last bullet point should be split as the sentence relating to election management did not related to land charges.

RESOLVED that the contents of the report be noted.

13. HALF YEARLY TREASURY MANAGEMENT UPDATE

The Committee received the report of the Interim Section 151 Officer reporting on the Council's investment activity for the first half of 2019 / 20 in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) and Accountancy Treasury Management code and the Council's Treasury Management Policies and Practices (TMPs).

The report detailed the Council's investment activity for both investments and instant access reserve accounts. Security of capital had remained the Council's main investment objective, which had been maintained by following the Council's counterparty policy.

Appendix 1 to the report had been prepared by Arlingclose (who provide treasury management consultancy and advice to the Council) and provided an overview of the external economic environment. The report outlined investment activity for April – September 2019.

It was reported that the Prudential Indicators for 2019 / 20 which had been set on 29 January 2019, as part of the Treasury Management Strategy Statement, had been complied with to date and shown in Appendix 2 to the report.

RESOLVED that the Treasury Management report be noted for compliance purposes.

14. IT BUSINESS CONTINUITY REQUIREMENTS

The Committee considered the report of the Director of Strategy, Performance and Governance seeking Members' approval to fund replacement of the SAN Disk Array in conjunction with five other essential projects from the Capital Programme 2019 / 20.

The report detailed the projects where funding was sought and outlined how without this equipment and software replacement the Council would face a real and very high risk of catastrophic data loss alongside the interruption of service delivery for Officers and the public.

In response to a number of comments raised the Director of Strategy, Performance and Governance explained the need behind this request to provide resilience to the network. Internal Audit had reviewed network failure to ensure processes were in place for the future to prevent any further resilience concerns. In respect of the budget requested for these projects, Members were advised that procurements processes had been followed and reviewed to ensure that the proposed budget figure was robust in terms of providing all the services required. In response to a question, the Interim Section 151 Officer advised that if agreed the project would be added to the 2019 / 20 Capital Programme and the monies would come from usable capital reserves.

RESOLVED that the addition of the new SAN Array Disks as well as the implementation of the software for Revenue and Benefits, Civica and Uniform be approved as a capital scheme to the 2019 / 20 Capital Programme totalling an estimated £130,000.

15. 2020 / 21 FEES AND CHARGES POLICY

The Committee considered the report of the Interim Section 151 Officer seeking review of the fees and charges policies that have been put forward by Officers prior to approval of the 2020 / 21 budget and updated Medium Term Financial Strategy in January 2020.

Appendix A to the report set out the current position for each fees and charges policy including any concessions being given, further financial information and comments. The report highlighted a number of areas for consideration, including changes to policy and new policies.

In response to a number of questions and comments, the Officers present provided Members' with the following information:

- It was clarified that the proposal to introduce charging for parking on the Hythe Quay related the Council owned land at the Quay and not the public highway. The Director of Service Delivery explained that the proposed change to charging was to try and regulate cars in the area in a more coherent way. In response to a question regarding whether a car parking place was included as part of a mooring fee, the Director advised he would need to look into this and advise Members accordingly. The Interim Section 151 Officer provided further detail regarding a fair funding review which had been carried out by the Government and how income relating to car parking was now included as part of the Government formula for future funding for Local Government.
- It was noted that in respect of the change proposed in relation to Recreational Avoidance and Mitigation Strategy (RAMS) the Council would act as a collection agency for monies in the same way that it did for Section 106 agreements. The Director of Strategy, Performance and Governance provided some additional information regarding where the monies collected may go but how they would be spent on projects identified within the RAMs mitigation measures.

RECOMMENDED that the fees and charged policies outlined in **APPENDIX 3** to these Minutes be reviewed and a set of policies for Officers to follow be adopted.

Councillors A L Hull and Miss S White left the meeting at this point.

16. 2020 / 21 REVENUE BUDGET GROWTH AND SAVINGS

The Committee considered the report of the Interim Section 151 Officer setting out for Members' consideration the Revenue Growth and Savings proposal bids put forward by Officers, prior to approval of the 2020 / 21 budget and updated Medium Term Financial Strategy in January 2020.

It was noted that the Council was building a zero-based budget, based on existing service demand and legislation requirements. Members considered the following proposals relevant to the Committee:

- Budget growth proposals (detailed within Appendix 1 to the report);
- Savings and Income Generation proposals (detailed within Appendix 2);
- Repairs and Renewals projects (Appendix 3).

The Interim Section 151 Officer requested that the Committee consider removing the proposal relating to 'Street Cleansing contract uplift' from Appendix 1 (Budget Growth 2020 / 21). He explained that this related to a request to fund equipment but following review of the contract this funding was no longer required. The Interim Section 151 Officer referred to the decision of the Committee to increase funding for the Maldon Citizens Advice (MCA) and the monies allocated to the 'Street Cleansing contract uplift' could be used for the MCA.

RESOLVED

- (i) that the contents of the report be noted;

RECOMMENDED

- (ii) that Members consider the proposals set out in **APPENDIX 4** to these Minutes for growth items;
- (iii) that Members consider the proposals set out in **APPENDIX 5** to these Minutes for savings and Income generation;
- (iv) that Members consider the proposals set out in **APPENDIX 6** to these Minutes for projects to be funded from the Repairs and Renewals reserve.

17. CAPITAL PROJECT BIDS 2020 / 21

The Committee considered the report of the Interim Section 151 Officer, seeking Members' consideration of the Capital Project bids submitted for 2020 / 21 by Officers prior to the approval of the 2020 / 21 budget and updated Medium Term Financial Strategy in January 2020.

Members were reminded of the three groups into which each capital project bid (as set out in the report) had been categorised by Officers. An update on the current capital reserves was provided including the monies proposed to support the current 2019 / 20 capital programme and those monies left for future years. It was noted that any revenue consequences of the capital projects chosen would be included in the 2020 / 21 revenue budget.

Members discussed the Capital Projects bids submitted, in particular:

- Rigid Inflatable Boat (RIB) – A number of concerns were raised regarding this item, with reference made to the jet skis and harbour master's boat owned by the Council. It was felt that alternative, more cost-effective options to the proposed RIB should be looked into. In response the Director of Service Delivery reported on the proposed use for the RIB, how the revenue budget for existing boats could be utilised in respect of maintenance and the qualifications / training any officer would require before they could operate the RIB. He assured the Committee that if a more economic route could be identified it would.
- Dog / Rubbish Bins Prom Park – The Director of Service Delivery highlighted that litter was one of the areas where the Council received the highest number of complaints. He assured Members that Officers had reviewed the costs relating to this item to ensure the best value and highlighted that this was a 'Service Improvement' item.
- Council office roof repairs – In response to a question regarding this item and a request for more information about the condition of the roof, the Director of Service Delivery suggested that it be removed from the list of capital projects and revisited. If it could be demonstrated that it was 'Essential' or 'Service Failure' Officers could bring it back to Members. The Interim Section 151 Officer also suggested that further information could be brought back to

Members on the 'Service Improvement' Capital Project Bids at its next meeting where Members could then consider if an item was to form part of the capital programme or be removed from it altogether.

- Toilet Provision Maldon and Heybridge Cemetery – In response to comments the Director of Service Delivery advised that these would provide basic facilities for customers as well as officers at these locations.

Councillor R H Siddall proposed that those Capital Project Bids categorised as 'Essential' be approved but those categorised 'Service Improvement' and 'Service Failure' not be approved but brought back to the next meeting of this Committee with additional information. This proposal was duly seconded and upon a vote being taken was agreed.

RESOLVED

- (i) that the following Capital Project bids (classified as 'Essential') be included for consideration in the 2020 / 21 Capital Programme by the Council at its meeting in February 2020;
 - Wood chipper;
 - Rolling replacement Van;
 - Play site resurfacing – WMCC and Hester Place;
 - Toilet provision Maldon and Heybridge Cemetery;
 - Waste Transfer Station Containers.
- (ii) that those Capital Project Bids classified as 'Service Improvement' and 'Service Failure' not be approved but brought back for consideration at the next meeting of this Committee (January 2020) with additional information.

The meeting closed at 9.29 pm.

**B E HARKER
CHAIRMAN**

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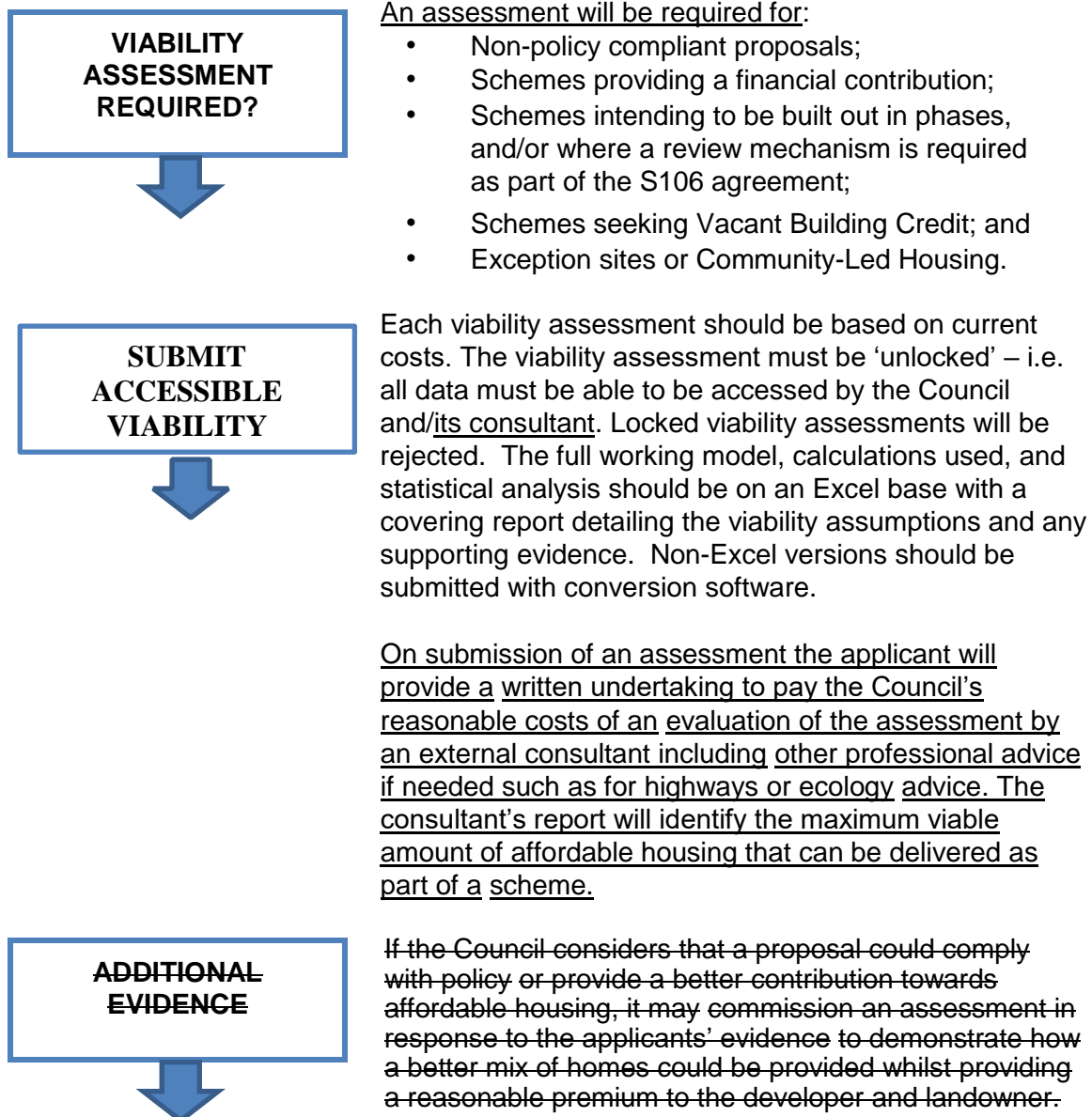
The following amendments are proposed to the Maldon District Affordable Housing and Viability SPD:

Key:

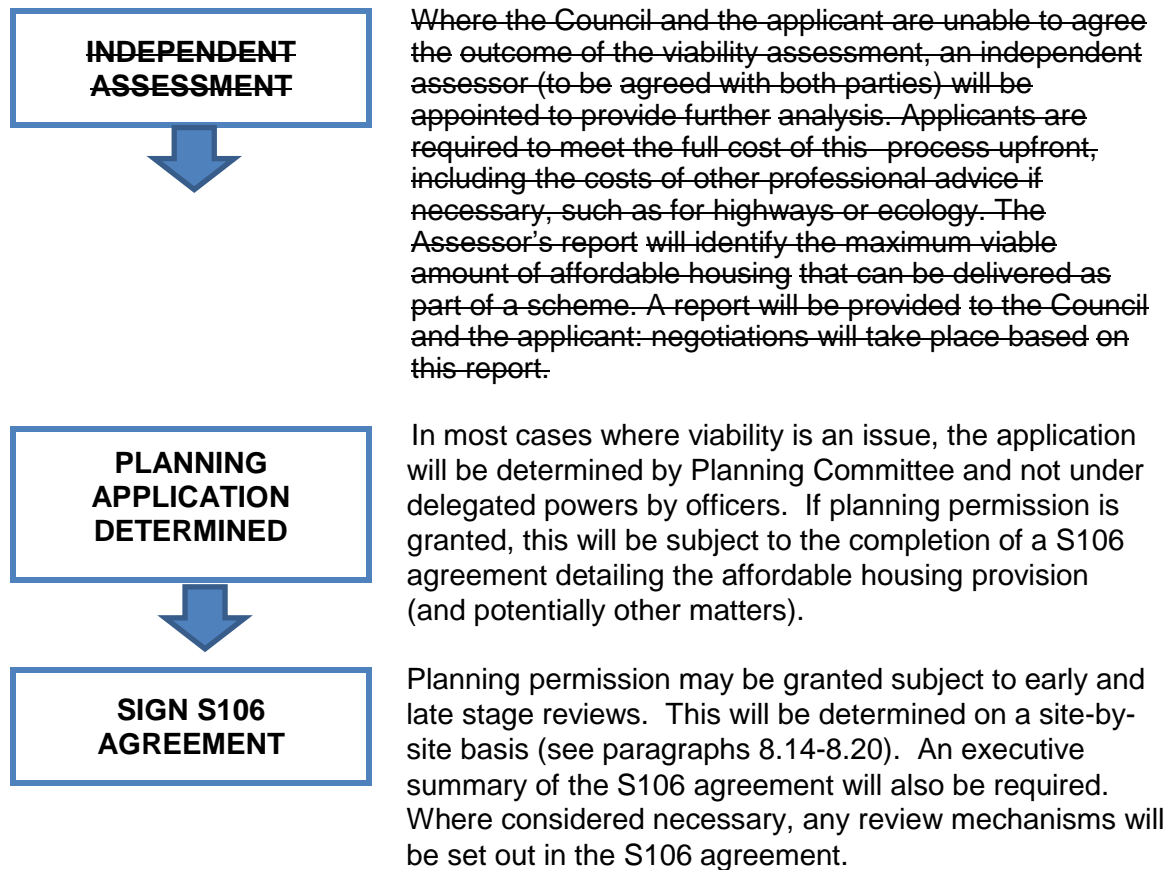
Underlining = new text

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Figure 2: Viability Assessment Process



Draft amendment to:
Maldon District Affordable Housing and Viability SPD

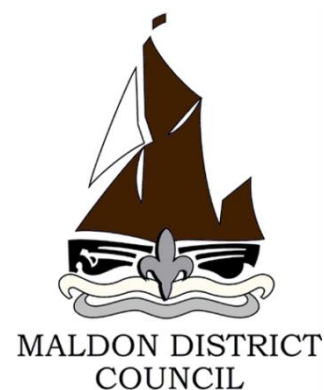


Document Control Sheet

Document title	Maldon District Affordable Housing and Viability Supplementary Planning Document
Summary of purpose	Provides additional detailed guidance to developers, Registered Providers and the community on the Council's approach to affordable housing provision, ensuring that approve Local Development Plan Policies H1, H2 and H5 ¹ are as effective as possible in delivering affordable housing
Prepared by	
Status	AMENDED DOCUMENT
Version number	Amended December 2019
Approved by	Council
Approval date	8 November 2018
Date of implementation	
Review frequency	
Next review date	
Circulation	Public
Published on the Council's website	Yes

Validity Statement

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



**Maldon District
Affordable Housing and Viability Supplementary
Planning Document (SPD)**

Amended December 2019



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NOTE:

Figure 2: Viability Assessment Process (page 38) was amended in December 2019, no other changes were made to the SPD

1. INTRODUCTION

Why is this document important?

- 1.1 The Maldon District Local Development Plan (LDP) (2017)¹ seeks to deliver sustainable, quality affordable housing over the plan period (2014-2029). Specifically, this SPD is guided by the policy framework of key LDP Policy H1: Affordable Housing, as well as Policy H2: Housing Mix and Policy H5: Rural Exception Sites.
- 1.2 There is a significant need in the District for affordable housing: average incomes have fallen below the levels needed to access the owner-occupation market; many current and newly forming households struggle to afford to rent in the private rented sector; Right to Buy impacts on the number of properties available; and, there remains the risk of homelessness when private sector tenancies end.
- 1.3 The District has one of the largest gaps between local incomes and local wages in Essex. This means that it is more likely that homes on the open market will be affordable to those who work outside the District, than to those who live and work in the District. Demand for affordable housing in the District therefore outstrips existing and planned supply, particularly for local people who live and work in the area.
- 1.4 There is an identified need for 130 affordable units each year, for the next 15 years². Since 2014, only 71 affordable units have been developed, significantly less than the 390 units required (for the first three years of the plan period). This demonstrates an acute need for affordable housing in the District and an urgent need for this SPD to be adopted to enable delivery through new development.
- 1.5 This SPD provides additional detailed guidance to developers, Registered Providers and the community on the Council's approach to affordable housing provision, ensuring that approved LDP policies H1, H2 and H5¹ are as effective as possible in delivering affordable housing. This includes:
 - Providing greater clarity about what affordable housing mix and tenure the Council seeks as part of residential development;
 - Providing more guidance about financial contributions;
 - Explaining the approach to be taken to Exception Site applications;
 - Providing more guidance about the supporting information that is likely to be sought for different affordable housing proposals.
- 1.6 This SPD is set within the context of national policy including the revised National Planning Policy Framework³, local housing needs and the Council's strategic housing objectives. This SPD does not and cannot introduce new planning policy. Once adopted, this SPD will be a material consideration in determining planning applications. The SPD will then replace the Council's Affordable Housing Guide⁴.

Viability and Affordable Housing

- 1.7 The expectation is that all new housing development should comply with the level of affordable housing set out in LDP Policy H1¹. This is not always the case – negotiations to reduce affordable housing requirements and other obligations based on site-specific viability assessments should only be necessary where the site circumstances indicate that exceptional costs that will make policy compliance unviable. This SPD provides further guidance on when a viability assessment may be required, how the Council will take viability into account when considering planning applications and what supporting information will be required. This will embed the requirement for affordable housing into land values, making the viability process consistent and transparent.
- 1.8 In those cases where the Council acknowledges that an application is unable to be LDP policy compliant, more should be done to increase the affordable housing contributions during the implementation of the scheme should viability improve. This is an increasingly important part of the development management process. Detailed guidance in this SPD will explain the Council's approach to assessing financial viability through review mechanisms, if considered necessary by the Council and the applicant.

What is affordable housing?

- 1.9 The Government³ defines affordable housing as:

'Affordable housing is housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers) and complies with one or more of the following definitions:

- **Affordable housing for rent:** *meets all of the following conditions: a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); b) the landlord is a Registered Provider, except where part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and in this context is known as Affordable Private Rent).*
- **Starter homes:** *is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan preparation or decision making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.*
- **Discounted market sales housing:** *is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local*

house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

- **Other affordable routes to home ownership:** *is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.'*³

- 1.10 Homes that do not meet the above definition of affordable housing, such as 'low cost market' housing will not be considered as affordable housing in the District.
- 1.11 But the housing market is evolving: as new products become available the Council may consider other forms of housing as affordable provided that they meet local needs for those who live and work in the District.
- 1.12 LDP policy H1 is silent on the inclusion of starter homes, discount market housing and several of the other routes to affordable homes ownership: relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy, as an affordable housing product. The Council will have regard to the NPPF³ and the consideration of these products in new applications where it can be demonstrated that it addresses an affordable housing need in the District. This SPD cannot change approved Policy H1, but it can highlight how these products will be considered.

Strategic Environmental Assessment and Equalities Impact Assessment

- 1.13 A Strategic Environmental Assessment (SEA) Screening Report⁵ has been carried out (see www.maldon.gov.uk/spd) for the SPD. The Council carried out an extensive Sustainability Appraisal for the LDP and this SPD only provides detailed guidance to support the delivery of the LDP, and does not set new policy. Therefore it has been concluded that SEA of the SPD is not required.
- 1.14 An Equalities Impact Assessment⁶ is available at www.maldon.gov.uk/spd

2. POLICY CONTEXT

National policy context

National Planning Policy Framework (NPPF)³

- 2.1 The National Planning Policy Framework 2018 sets out the Government's planning policies for England and how these are expected to be applied. Paragraph 61 of the NPPF aims to promote the delivery of a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities by: *'Ensuring the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).'*
- 2.2 Specifically for affordable housing, the NPPF³ expects *'affordable housing to be provided on site unless off-site provision or an appropriate financial contribution in lieu can be robustly justified; and that the agreed approach contributes to the objective of creating mixed and balanced communities.'*
- 2.3 The NPPF³ introduces a new policy requirement:
- 'Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership [as part of the overall affordable housing contribution from the site], unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:*
- a) provides solely for Build to Rent homes;*
 - b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);*
 - c) is proposed to be developed by people who wish to build or commission their own homes; or*
 - d) is exclusively for affordable housing, an entry level exception site or a rural exception site.'*
- 2.4 Paragraph 77 adds that in rural areas, housing should respond to local needs particularly for affordable housing, including through rural exception sites, where appropriate. Consideration should be given to allowing some market housing where it would facilitate the provision of significant additional affordable housing to meet local needs.

- 2.5 The NPPF³ introduces entry level exception sites which are: *‘suitable for first time buyers (or those looking to rent their first home), unless the need for such homes is already being met within the authority’s area. These sites should:*
- a) Comprise of entry level homes that offer one or more types of affordable housing as defined by the NPPF; and*
 - b) be adjacent to existing settlements, proportionate in size to them [not be larger than one hectare or exceed 5% of the size of the existing settlement], not compromise the protection given to areas or assets of particular importance in the NPPF and comply with design policies and standards.’*
- 2.6 LDP policy H1 is silent on the inclusion of 10% of affordable homes on site being for ownership and also entry level exception sites. The Council will have regard to the NPPF and the consideration of these products in new applications. This SPD cannot change approved Policy H1, but it can highlight how these products will be considered.

Planning Practice Guidance (PPG)⁷

- 2.7 The Government’s Planning Practice Guidance provides more detail on a range of planning matters identified by the NPPF³. First published in 2014, this web-based resource is regularly updated to reflect the current policy position.
- 2.8 As part of the NPPF³ review, the Government has also revised parts of the Planning Practice Guidance. Regard has been had to these changes in the production of this SPD.
- 2.9 Paragraphs 011-018 (Viability PPG, 2018) set out the key factors to be taken into account when undertaking a viability assessment. These include gross development value, current costs, land value, abnormal costs, site specific infrastructure costs and professional site fees and recent market evidence.
- 2.10 The Viability PPG (013) recognises that an allowance should be made for a landowner premium. A viable and deliverable development should *‘provide a reasonable incentive for a landowner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements’*. As such, the Viability PPG considers contributions for affordable housing should not impede the viability and delivery of development. The Council acknowledges that a premium will vary between projects but considers that the profit margin should be commensurate with the level of risk for each scheme. This SPD provides the basis for discussions with the Council. However, developers are expected to use the assumptions identified in Section 8.0 to inform the value of land.
- 2.11 The Viability PPG (018) also provides guidance on the level of developer return. It is clear that *‘it is the role of developers, not plan makers or decision makers, to mitigate [any] risk. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.’* On this basis the Council considers that affordable housing and other policy requirements should be taken into account when land is purchased or an option is agreed.

- 2.12 For schemes requiring phasing over the medium and longer term, changes in the value of development and costs may be considered: these forecasts should be based on relevant market data and agreed with the Council as early as possible in the application process.

Local Planning Policy

Maldon District Local Development Plan (LDP)¹

- 2.13 The LDP was approved by the Secretary of State in July 2017. This is part of the development plan for the District, covering the period 2014-2029. Policy H1 sets out the overarching framework for enabling affordable housing. Other policies in the LDP set out more specific requirements on matters such as Housing Mix (Policy H2) and Rural Exceptions Schemes (Policy H5). **These key policies are re-produced in Appendix 2.** See www.maldon.gov.uk/LDP for further information.

Neighbourhood plans

- 2.14 Neighbourhood plans that are 'made' are part of the development plan for the District. All planning applications should be in accordance with the development plan, unless material considerations indicate otherwise. Neighbourhood plans may contain policies relating to affordable housing and/or housing needs in a particular area. Further information on the status and content of neighbourhood plans is available at www.maldon.gov.uk.

Maldon District Design Guide SPD⁸

- 2.15 The SPD (2017) provides further details on LDP Policy D1, identifying the principles that should be followed to deliver good quality design of new development in the District. These principles apply equally to affordable housing and market housing.
- 2.16 Where sites or areas are subject to other guidance prepared by the Council e.g. a master plan or strategic design codes, developers must consider affordable housing requirements carefully to reflect all appropriate guidance. Further information is available at www.maldon.gov.uk/mddg

Maldon District Specialist Needs Housing SPD⁹

- 2.17 The SPD is expected to be adopted in September 2018. This covers all matters relating to specialist needs housing for older people and those with other specialist housing needs. See www.maldon.gov.uk/spd

Maldon Strategic Housing Market Assessment (SHMA)²

- 2.18 LDP Policy S2 identifies a need for a minimum of 4,650 dwellings from 2014-2029 (310 dwellings per annum). However, the LDP plans for a higher target of 5,108 dwellings to provide for a better mix and choice and to enable the delivery of affordable housing, housing for older people and housing for other specialist needs.
- 2.19 The SHMA (2014) indicates that the annual level of net new affordable housing is 130 units over 15 years, 44% of the potential annual housing delivery figure, close to the LDP affordable target level of 40%. The expectation is that the majority of the affordable

housing will be delivered through the Garden Suburbs and Strategic Sites (in Policy S2) and through qualifying housing sites in LDP Policy H1.

2.20 Other key SHMA findings are:

- The existing supply of affordable housing in the District is significantly below national and regional averages;
- Owner occupation is beyond the reach of the majority of households who do not already own their own home; a range of housing products should be considered to meet needs;
- There is a shortfall of all sizes of affordable accommodation, with the largest shortfall being for one and two-bedroom homes;
- There is an oversupply of larger, market homes compared to local need;
- In terms of tenure the greatest need is for affordable rented properties, although demand exists for intermediate housing particularly for family-sized properties;
- A significant increase in the number of older people is expected, there is a need for Extra Care/Independent Living and sheltered accommodation;
- Providing a better supply of affordable homes for older people could improve the availability of existing general needs, affordable homes.

2.21 The SHMA² suggests an affordable housing tenure mix of 80% Affordable Rent: 20% Intermediate Housing. However, to effectively balance the housing market over the plan period and over the housing market area, to improve viability and allow for the development of social rented homes by those Registered Providers who are unable to develop Affordable Rented Homes as part of the Homes England development programme the Council prefers to secure a mix of 70% affordable rent: 30% intermediate housing. This mix has been successfully secured in Section 106 agreements so will continue to be the Council's preferred approach.

2.22 The SHMA² is silent on the new affordable housing products introduced by the NPPF³. However, the Council considers that discounted market sales housing and starter homes are a type of intermediate housing, and affordable build to rent is a type of affordable rented housing. The Council will have regard to these new products when considering the tenure mix of new development.

2.23 The SHMA² suggests a housing mix, but to achieve maximum viability and delivery of affordable units, and meet as far as possible need, a different mix has been used for recent Section 106 agreements (see paragraph 4.20 for more information).

Local Housing Policy

2.24 Affordable housing has a significant role to play in meeting the Council's corporate goal of 'meeting housing needs' and preventing and relieving homelessness – co-ordinating work with Registered Providers and developers to provide affordable housing in the District continues to be a priority. Increasing the range of housing products available to people in housing need and providing quality alternatives to homelessness will help to deliver this goal.

Maldon District Draft Housing Strategy¹⁰

- 2.25 Maldon's draft Housing Strategy (2018-23) enables a step-change in the provision of affordable housing by setting out plans to manage growth and meet the changing needs and aspirations of local residents over their lifetime. This will be achieved by facilitating choice and providing ways of helping residents move through different types of tenure as their circumstances change. The Strategy also seeks to secure viable affordable housing to meet identified local needs to help achieve a more balanced, sustainable housing market and make best use of the existing housing stock.

Maldon District Tenancy Strategy¹¹

- 2.26 The Maldon Tenancy Strategy (2017) sets out how the Council expects Registered Providers and other approved providers should operate affordable housing tenancies, and how affordable homes should be managed in future. All new affordable homes must be delivered in accordance with this guidance.

3. MALDON'S AFFORDABLE HOUSING NEEDS AND PRIORITIES

- 3.1 The LDP¹ plans for a target of 5,108 dwellings from 2014 to 2029. Informed by need and demand, the SHMA² indicates that 130 affordable units are required each year over the same period, 44% of the potential annual housing delivery figure, close to the LDP affordable target level of 40%. Since 2014, only 71 affordable units have been developed, significantly less than the 390 units required by the SHMA² for the first three years of the plan period, with only 21 being delivered in 2016/17. The expectation is that the majority of the significant affordable housing shortfall will be delivered through the Garden Suburbs and Strategic Sites identified by LDP Policy S2 and through those market housing sites where LDP Policy H1 applies.
- 3.2 Securing the level of affordable housing identified by the LDP is essential to ensure that local people are able to afford to live in the District. The average income of those who live and work in the District is £511.30 (£26,572), lower than the regional level and that of other neighbouring authorities. The average price of a small flat/maisonette in Maldon is £190,000, assuming a mortgage of 3.5 times the annual income, properties are out of reach of most residents who live and work in the District. There are however, many residents who live in Maldon but work elsewhere, their income is noticeably different and are unlikely to be in need of affordable housing to the same extent.
- 3.3 This significant affordable housing shortage has increased the demand for temporary accommodation, and seen a rise in overcrowded conditions and people living in unsuitable properties. Those considered to be homeless has also increased in recent years (and is expected to rise further) partly due to an increase in the cost of private rented accommodation and home ownership, and because of the anticipated consequences of the Homelessness Reduction Act 2018. Providing the right number and type of affordable housing should help minimise homelessness and the impact that this has on public services and the local community.
- 3.4 The District has a rising ageing population, providing the right type of housing is important to meet the changing needs of older people over time: the SHMA² identifies that providing smaller affordable homes that meet their needs and aspirations, such as 1 and 2 bed bungalows and supported housing, will widen housing choice, and help people move and downsize to homes that are more appropriate to their needs. This helps improve the overall supply of affordable housing in the District in the short and long term by 'freeing up' larger, general affordable homes for families.
- 3.5 Adapting homes to meet the needs of those who are elderly or disabled can help people retain their independence in their own homes, but there will still be occasions where affordable homes designed to a specific standard are required to meet identified needs.

- 3.6 Starter Homes are identified by national policy³ as a type of affordable housing, but in the District even with a 20% discount applied through the Starter Homes initiative, properties would only be affordable for a very small number of those identified as being in need of affordable homes who live in the District. Securing affordable housing that meets the needs of the majority living and working in the District is a priority.
- 3.7 To address current housing stock imbalances and to plan for long term population and household formation changes, and reduce the amount and risk of homelessness in the District, the priority is to secure the right amount and type of affordable housing to meet local housing needs. With funding for affordable housing through Government grants reducing, the introduction of the Local Housing Allowance cap, and Registered Providers losing revenue through the imposition of rent reductions and other welfare reforms, delivery of affordable housing as part of market housing schemes is essential to sustaining output and meeting identified needs.
- 3.8 A range of housing products are available but not all will suit the District's specific housing needs: looking at local household incomes, the most appropriate type of tenure is affordable rent. These benefit local residents because rents do not exceed Local Housing Allowance levels, although even with rent restrictions larger homes at affordable rent levels may not be affordable to some families on welfare benefit. To help redress this, some homes may be required for social rent. Although a range of properties are required over the LDP plan period, the immediate priority is to secure affordable rented one and two bed units to meet identified needs². There is also a small need for three/four bed units to help address the scale of need for family units and reduce the number of overcrowded properties².
- 3.9 To help improve viability and to promote a better mix of housing products, intermediate housing is also supported e.g. shared ownership or affordable rent to buy, as long as they would be affordable to someone earning the average local wage.
- 3.10 The affordable housing market is evolving: Other new and/or innovative options such as rent-to-buy may be considered if they provide an affordable route to home-ownership, with the security of renting in the medium to long term. Community-led affordable housing schemes can also help address specific locality needs or the needs of specific groups. National policy³ has introduced discounted market housing and affordable private rent products within Build to Rent schemes. These are relatively new products but may be appropriate for the District - the Council will have regard to them in new developments where they can meet local needs.
- 3.11 It is important that affordable homes are made available to local people in need. Securing nomination rights is important for the Council when first built and then when re-letting in the future.

4. WHEN WILL AFFORDABLE HOUSING BE SOUGHT?

Which developments may require affordable housing?

- 4.1 LDP Policy H1 states that affordable housing will be sought from residential developments of more than 10 units or which have a combined gross floorspace of more than 1,000 sqm¹.
- 4.2 To ensure consistency with the Community Infrastructure Levy, the gross internal area (GIA) will be assessed using the RICS Property Measurement¹². Gross Internal Area of a building measures the internal face of the perimeter walls at each floor level, including all rooms, circulation and service space, including lifts, corridors, toilets and ancillary floorspace (e.g. underground parking), as well as conversions, garages and any other buildings ancillary to residential use. In flatted developments, it should include communal entrances, landings etc, and any related internal parking.
- 4.3 For schemes that involve demolition, the floorspace that is to be demolished will be deducted from the total provided by the new development. If a development has been demolished in the last three years, the figures from the previous development will be used.

Exemptions

- 4.4 The Planning Obligations PPG (2016, para 031)⁷ identify the circumstances where affordable housing will not normally be sought:
- householder applications (e.g. house extension or a garage) and self-build development as defined by the CIL Regulations 2014;
 - exclusively affordable housing and starter homes schemes, or the affordable housing element of a market housing scheme (other than the provision of the affordable homes themselves);
 - residential annex, staff accommodation or extension to an existing home which is incidental to the main dwelling;

In addition in the District the following other types of proposals will not usually require affordable housing:

- listed building, conservation area, advertising or tree preservation order applications (although contributions may be sought from the overarching scheme);
- replacement dwellings;
- residential institutions providing specialist housing for the elderly in Use Class C2 (excluding self-contained units – like Sheltered or Extra Care schemes). For more information see paragraphs 4.25-4.27 and the Specialist Needs Housing SPD⁹;
- purpose built hostel or holiday accommodation which are incapable of occupation for general residential purposes because of their layout, ownership, management or occupancy restrictions;

-
- Gypsy and Traveller accommodation.

Artificial sub-division of sites

- 4.5 LDP Policy H1¹ seeks to maximise the amount of affordable housing delivered in the District, and Policy H4: Effective Use of Land requires proposals to use developable land efficiently. As such, proposals which seek to circumvent the Policy H1 affordable housing requirement by developing at a low density, through a phased or piecemeal development, by re-drawing the boundary of a larger site or by sub-dividing land will not be acceptable.
- 4.6 The Council will base the affordable housing requirement on the gross number of dwellings that can be accommodated on a site. In reaching a view on this, the Council will take into account such issues as land ownership, planning history, topography, site constraints and the natural boundaries of the site.

Vacant Building Credit

- 4.7 The Planning Obligations PPG (2016, paras 021-023)⁷ state that a vacant building credit (VBC) can apply to sites where a vacant building is brought back into lawful use, or is demolished to be replaced by a new building. VBC would then reduce the requirement for affordable housing based on the amount of vacant floor space being brought back into use or being redeveloped.
- 4.8 VBC will not be automatically applied: the intention of VBC is to '*incentivise brownfield development*'⁷ and the re-use of vacant buildings so only relevant buildings will be considered as being able to generate VBC. For example, a brownfield site containing a scrap yard with few buildings would not be relevant because the amount of credit that could be applied would be limited and would do little to incentivise development.
- 4.9 Where a proposal provides a reasonable return to the landowner, a competitive profit to a developer and is policy compliant, VBC should not be applied as the development would be sufficiently incentivised and viable. Applying VBC at the outset would reduce the affordable housing contributions and potentially increase the financial returns to both landowner and developer. If a developer considers VBC should be applied, sufficient evidence will be required to ensure that an application can be considered appropriately. This may include a viability assessment (see Section 8.0). The VBC will be taken from the residual land value.
- 4.10 The Council is expecting to implement the Community Infrastructure Levy (CIL) in 2019. To enable the Council to assess VBC and CIL claims consistently, and to ensure that an applicant cannot claim that a scheme qualifies for VBC and CIL relief, a building will be considered vacant if it has been in lawful use for a continuous period of fewer than six months, within the past three years ending on the day planning permission first permits the chargeable development (to be eligible for CIL relief a building must '*be in lawful use for a continuous period of at least six months within the past three years ending on the day planning permission first permits the chargeable development*' CIL (Amendment) Regulations 2014). Until CIL is adopted the three year period will end on the day the

planning application is registered. If CIL is delayed this is consistent with national legislation so is considered appropriate.

- 4.11 It is important that VBC is used appropriately, is applied to genuinely vacant buildings, so should not be covered by an extant or recently expired planning permission and should not be protected for an alternative land use in the LDP¹ or in another planning policy document.
- 4.12 National policy⁷ states that VBC should not apply to every vacant building, therefore the Council will be mindful to a building being made vacant for the sole purposes of re-development and/or the wilful neglect of properties with the intention of securing redevelopment. Therefore, applicants must demonstrate that the relevant vacant buildings have been actively marketed on realistic terms based on the current or any permitted use for at least 12 months continuously in the previous two years. The Council may also use Council Tax, Business Rates or Electoral Register records in their VBC assessment.
- 4.13 VBC does not apply to abandoned buildings⁷. A building will be treated as 'abandoned' rather than 'vacant' where the lawful planning use of the building has been abandoned for a period of five years. Cessation of a use does not necessarily mean abandonment.
- 4.14 Where the Council considers VBC applies the developer will be offered a financial credit equivalent to the existing GIA of the vacant buildings (see paragraph 4.2). This will be deducted from the overall affordable housing contribution, either the number of affordable units sought or the financial contribution required. A worked example is set out below.

Elements of the scheme (GIA)	Floorspace (sqm)
Existing	500
Existing floorspace to be retained	250
Existing floorspace to be demolished	250
Proposed	2390
Increase in floorspace	1890

VBC Calculation

40%* of 30 units = 12 units

1890sqm as percentage of the overall development of 2390 = 79.07%

12 units x 79.07% = 9.48 units

*Policy H1 sub-area affordable housing requirement

In this case the Council will require 9 units on site and the 0.48 as a financial contribution.

- 4.15 For outline planning applications it may not be clear how many dwellings are proposed or the size of those dwellings. In these cases, it will be difficult to identify the VBC. A S106 agreement will ensure that the issue can be dealt with at Reserved Matters stage. All requests for VBC will be included in the Planning Committee report.

Affordable Housing Requirement

- 4.16 The affordable housing requirement will vary to reflect a site's location in the District and local need. LDP Policy H1¹ divides the District into the following sub-areas (see Figure 1 on page 17):

Sub-area	Requirement
North Heybridge Garden Suburb:	
S2 (d): North of Heybridge	30%
S2 (e): North of Holloway Road	40%
S2 (f): West of Broad Street Green Road	40%
South Maldon Garden Suburb	30%
Strategic allocations at Maldon, Heybridge and Burnham-on-Crouch	40%
All other developments:	
Northern Rural, Maldon Central and South and Rural South*	40%
Maldon North and Rural South East Higher*	30%
Rural South East Lower*	25%

Table 1: Affordable Housing Sub-Area Requirements

*as shown in Figure 1

- 4.17 In those cases where the requirement does not generate a whole number, a financial contribution will be sought equal to the value of the partial unit (see paragraph 5.24).

Affordable Housing Tenure

- 4.18 The SHMA² suggests an affordable housing tenure mix of 80% Affordable Rent: 20% Intermediate Housing. However, to effectively balance the housing market over the plan period and over the housing market area, to improve viability and allow for the development of social rented homes by those Registered Providers who are unable to develop Affordable Rented Homes as part of the Homes England development programme, the Council prefers to secure a mix of 70% affordable rent: 30% intermediate housing. This mix has been successfully secured in Section 106 agreements so will continue to be the Council's preferred approach.
- 4.19 The SHMA² is silent on the new affordable housing products introduced by the NPPF³. However, the Council considers that discounted market sales housing and starter homes are a type of intermediate housing, and affordable build to rent is a type of affordable rented housing. The Council will have regard to these new products when considering the tenure mix of new development.
- 4.20 When assessing the viability of a development, the total number of affordable units provided by each scheme should be policy compliant for the location and, unless otherwise agreed with the Council, should have a preferred tenure split of:
- No lower than 70% social rented/affordable rented: Generally in the District, affordable rented housing is acceptable as the preferred option; and

- No higher than 30% intermediate housing (as defined in paragraph 1.9). Generally in the District shared ownership (Homebuy) is considered the preferred option. Rent to buy and fixed equity, and other intermediate products may be appropriate if agreed with the Council's Housing Services.

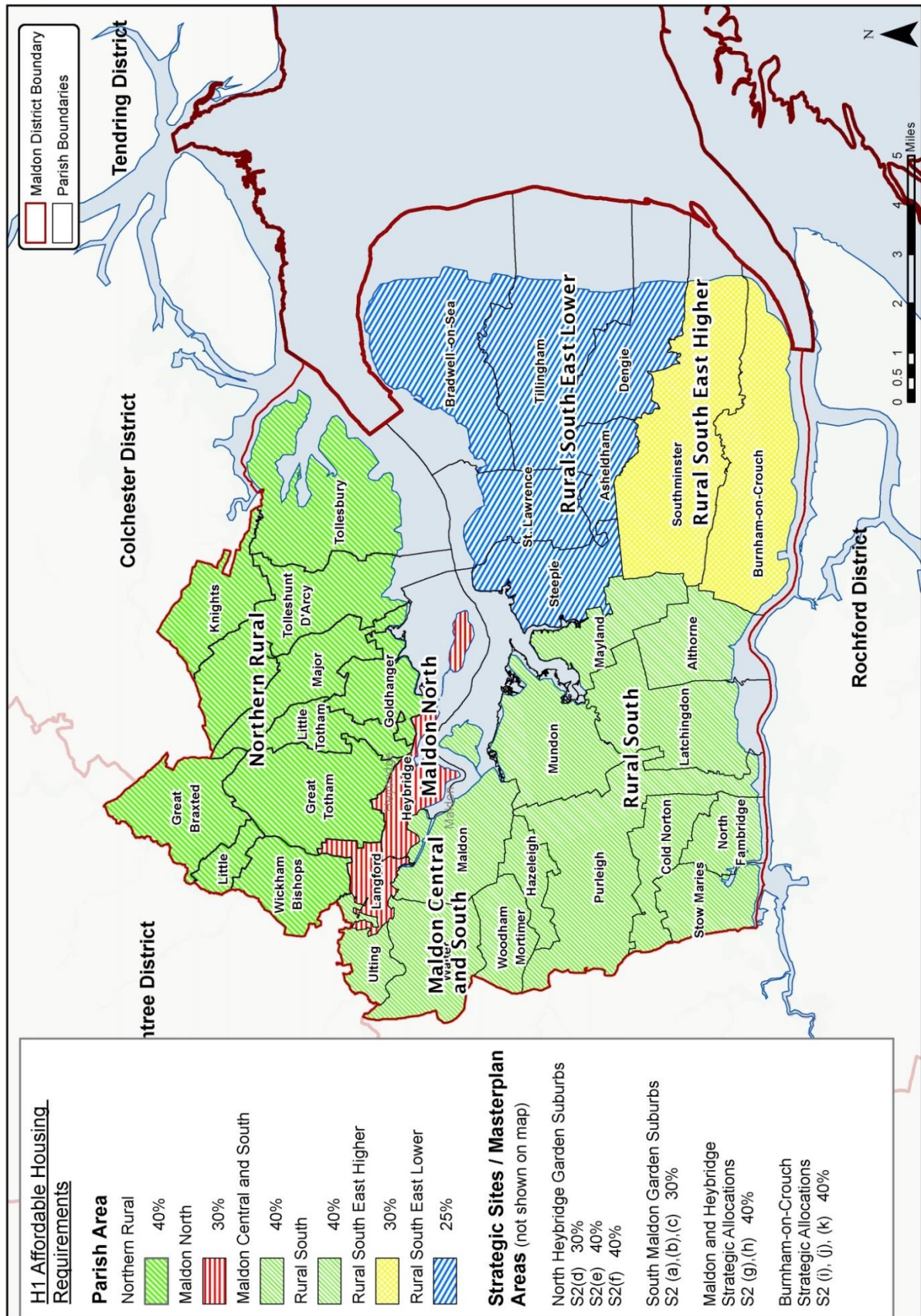


Figure 1: Local Development Plan policy H1 Affordable Housing Requirements

Affordable Housing Mix

- 4.21 There is a demand for a wide range of property sizes in the District. LDP Policy H2¹ expects a suitable mix of housing in both the market and affordable sectors to enable a better flow of existing housing stock and to meet the identified housing needs for different demographic groups in the District.
- 4.22 The SHMA² suggests a mix, but to achieve maximum benefits: to better meet unmet need and to achieve other SHMA recommendations, such as, to achieve a balance of homes that would stimulate additional supply from existing stock, maximise viability (by providing slightly more low cost home ownership), the Council considers the example mixes in Appendix 3 are more appropriate - these have been successfully secured in Section 106 agreements - and will be the starting point for discussion.
- 4.23 However, the Council may consider a different mix, for example, if local housing needs would benefit from an alternative, the location does not support the delivery of a particular size or type of homes or a revised mix would help to redress the balance of existing affordable homes in an area. This should be discussed with the Council's Housing Services at pre-application stage.
- 4.24 Schemes providing for only one age group, for example, for older people will only be expected to provide affordable housing for that age group.

Specialist Accommodation

- 4.25 Policy H3¹ supports specialist or supported accommodation where there is an identified need in the District, such as for older people and people with disabilities. This may be provided as solely affordable housing or sought as part of a market housing scheme in line with Policy H1.
- 4.26 All applications for specialist and/or supported housing should be consistent with Policy H3, and be accompanied by a business case demonstrating the financial feasibility of providing housing-related support for the relevant client group (to fulfil Policy H3 (7)). The Council will consult other relevant agencies to ensure that the provision does not place any unnecessary burdens upon the District's infrastructure, such as health and social care.
- 4.27 Over time, specialist affordable housing may no longer be viable, for example due to a lack of revenue funding or lack of demand. To ensure the District does not lose affordable housing, sufficient evidence will be required as part of the planning application (which may include a viability assessment) to demonstrate that the specialist use is no longer viable. If this is the case then a variation to the S106 agreement for the scheme will be required so that the properties can be converted to general needs affordable housing. Further details are provided in the Council's Specialist Needs Housing SPD⁹ at www.maldon.gov.uk/spd.
- 4.28 Provision of specialist accommodation should not exclude provision of affordable housing. Some proposals may include a mix of Class C2 and Class C3 housing. Provision of affordable housing will only be sought from Class C3 housing: such as Sheltered and Extra-Care schemes, and individual, self-contained C3 units, even where the occupants

receive care and/or are restricted to occupancy over a particular age and/or are located within a complex which includes some C2 (nursing home) rooms.

- 4.29 It is not always appropriate for design or financial viability reasons for affordable units within a specialist housing scheme to be located on site. In these cases a financial contribution may be acceptable. This should be agreed with the Council at pre-application stage.

Community-led affordable housing

- 4.30 Community-led housing is a way for local community groups to deliver good quality homes and/or specialist homes, in settlements or as exception sites in the rural area (see Section 6.0 for details) to meet local needs in perpetuity. These homes must be affordable. Community-led housing can be developed and/or managed by local people or residents, by not for profit organisations, such as locally based charities or almshouse providers. It can also be provided by Registered Providers and owned and managed by them on behalf of a community group.
- 4.31 This type of housing can take a variety of forms: current models include self-help housing, co-housing, co-operatives, community land trusts and community self-build. It can also include the re-use of existing buildings. Community-led housing can also be delivered through Community Right to Bid or the Community Right to Build processes.
- 4.32 Promoters should contact the Council at an early stage if community-led housing is being proposed. Evidence of the need for affordable housing in that community will be required including that affordable housing is unlikely to be accommodated through planned development in the locality. The Neighbourhood Plan process provides an opportunity to identify appropriate sites and get community buy-in early for community-led housing. Promoters must agree their nominations policy and future management approach with the Council. This will be set out in a S106 agreement (see paragraphs 5.14-5.22).

Mixed-use schemes

- 4.33 Where a scheme proposes non-residential development alongside an element of housing, affordable housing will be required for all qualifying residential development. Mixed-use schemes that are not policy compliant will need to be justified by appropriate evidence, which may include a viability assessment.
- 4.34 Where planning permission is granted for a mixed-use scheme and there is a proposal to change the use of the non-residential element to residential, a full re-assessment of the affordable housing provision will be required (see Section 8.0).

Loss of affordable housing

- 4.35 Given the acute demand for affordable housing in the District, the loss of affordable housing will not normally be acceptable unless this is to enable the provision of an equivalent or greater number of replacement affordable homes. The only exceptions would be where wider housing benefits would outweigh the loss of units in that location by providing the type of affordable housing that cannot be provided elsewhere, the

condition of stock is so poor that it is not viable to refurbish and it is not feasible to develop the same amount, for example, for design reasons. In these cases, to compensate for any loss, it is expected that the Council would require the on site affordable housing tenure and mix to meet identified local needs. The approach should be agreed at pre-application stage.

Amendments to planning permission

- 4.36 When affordable housing is being provided and amendments to a planning permission increase the number of market houses/floorspace, the affordable housing requirement sought will be a percentage of the revised total number of homes across the application site. This includes those applications where amendments increase the number of market housing/floorspace so that the threshold identified by Policy H1¹ is exceeded.
- 4.37 Where amendments are sought to a planning permission that is being delivered in phases, the affordable housing requirement will be re-assessed and applied to the total number of units proposed in the remaining phases. If the number of dwellings is increased the Council will expect an increase in affordable housing in accordance with the requirements set out in LDP Policy H1¹.

5. PROVIDING AFFORDABLE HOUSING

On Site Provision

- 5.1 Consistent with national policy, the preferred approach in the District identified by Policy H1¹ is for the on-site provision of good quality affordable housing. Where it can be demonstrated that the requirement and/or tenure mix is not viable on site, the starting point for negotiation will be the content of 4.16-4.24 above. The requirement and/or tenure mix may be re-considered to improve viability along with the possibility of providing grant or other forms of public subsidy. Only in exceptional circumstances where, a viability assessment shows that it is not feasible to deliver all, or part of the provision on-site and no grant subsidy is likely, will consideration be given to an equivalent financial contribution or the provision of free-serviced land transferred to a Registered Provider. Policy H1 does not promote the provision of developer owned land, off site in lieu of affordable housing.
- 5.2 Where some, but not all the affordable housing requirement is provided on site, an equivalent financial contribution will be sought (see paragraph 5.24).

Public Subsidy

- 5.3 So that high quality, affordable homes can be delivered that meet identified needs, the Council expects developers to cover the cost of the affordable homes so that there is no need for public subsidy (including grants, public loans and public land). The expectation is that policy compliant schemes will be viable without the need for grant or other forms of subsidy.
- 5.4 Where only a proportion of the required number of affordable homes can be secured as part of a viable scheme, a review mechanism will be incorporated in the S106 agreement to ensure that if grant, subsidy or other investment become available at a later date a review of the affordable housing provision can be secured (see Section 8.0) in accordance with a policy compliant scheme.

Design of Affordable Housing

- 5.5 To promote integrated communities, affordable housing should be designed to meet the requirements set out in the Maldon District Design Guide SPD⁸ and be indistinguishable from market housing, in terms of quality of the homes provided, the adequacy of internal living and the location and quality of outdoor amenity space and parking provision.
- 5.6 It is important that all dwellings have adequate living space to ensure that the changing needs of a household can be addressed. Good size properties also mean that the Council and Registered Providers are able to manage their stock easily as they can be allocated to a wider range of households. The size of bedrooms is important, particularly as same sex siblings may be required to share a bedroom until 16 under the new housing welfare reforms.
- 5.7 As a guide, all 2 bed properties should be designed for 4 people. This ensures that 2 bed properties can be let to 2, 3 or 4 person households. All properties with 3 or more bedrooms should include one double and one twin room to maximise the property's

potential use. All one bed properties must be designed for 2 people (i.e. have a double room). Therefore the upper limits of the Nationally Described Space Standard¹³ will be the starting point for discussion. Further guidance is set out in the Council's Housing Strategy¹⁰.

- 5.8 The District has an identified need for older persons housing. In these cases, additional space may be required to accommodate people down-sizing from larger homes and who in future may need space for aids and adaptations. The Maldon Design Guide Appendix A: Older Persons Housing⁸ and the Specialist Needs Housing SPD⁹ expects these proposals to be compliant with Building Regulations and any relevant guidance by Housing our Ageing Population: Panel for Innovation (HAPPI).
- 5.9 All new residential units will be expected to have direct access to an area of private amenity space. The form of amenity space will be dependent on the form of housing and could include a private garden, balcony or ground-level patio with defensible space from any shared amenity areas.
- 5.10 The design and layout of affordable housing will largely be addressed through the Maldon District Design Guide SPD (at www.maldon.gov.uk/mddg)⁸. The location of affordable plots should be clearly identified on submitted plans: Homes should be spread across the site in small groups of no more than 15 to 20 homes to achieve an appropriate mix with market homes, or in self-contained flatted blocks for ease of management. Clustering of affordable homes in this way avoids large concentrations of single tenure dwellings and achieves mixed and sustainable communities.
- 5.11 Dwellings designed to achieve high standards of energy efficiency will be supported. Reference should be made to the Council's Renewable Energy and Low Carbon Technologies SPD (www.maldon.gov.uk/spd)¹⁴.
- 5.12 It may also be appropriate to consider increasing the density of development to enable the delivery of additional affordable housing where this meets exemplary design standards. This will be assessed on a site-by-site basis.
- 5.13 The total number of car parking spaces for affordable homes and/or the management of the car parking arrangements should be negotiated at the pre-application stage and reflect the Vehicle Parking Standards SPD¹⁵. The capital cost of parking provision should be borne by the developer so that the designated parking results in no additional cost to the occupants.

Management

- 5.14 In general, affordable housing should be developed in conjunction with a Registered Provider, approved by Homes England. In exceptional cases, where an alternative provider is involved, they will need to be approved by the Council and will be expected to deliver affordable housing in the same way as a Registered Provider. Evidence of equivalent accountability, funding for the scheme and long-term management and maintenance arrangements will be required.

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- 5.15 A S106 agreement will be used to confirm the approach and to ensure, where appropriate, that the dwellings will remain available in perpetuity for those in housing need. There may be legitimate circumstances where affordable housing can be sold, for example, through right to buy or staircasing out of shared ownership. The provider will be expected to make every reasonable effort to recycle any subsidy for affordable housing in the District.
- 5.16 In setting affordable rents, Registered Providers should be guided by the Local Housing Allowance (LHA) rates for the District, as these rates will limit the amount of Housing Benefit available to households. Registered Providers are expected to use these rates as the upper limit in setting affordable rent levels. See the Council's Tenancy Strategy¹¹ at www.maldon.gov.uk.
- 5.17 The location, size and number of bedrooms, occupancy capacity and the tenure and phasing of affordable housing should be agreed at an early stage with the Council and the Registered Provider who will purchase and manage the affordable housing. So that the affordable housing meets all planning requirements, and the rents, service charges and maintenance are affordable to future residents, as indicated by the SHMA² annual housing costs are affordable if they do not exceed 30% of relevant local income:
- For intermediate affordable housing: based on the gross median local wage of a household in the District; and
 - For affordable rented homes: based on the gross lower quartile LHA household income.
- 5.18 Developers must ensure the affordable dwellings are transferred as completed units at a price agreed with the Registered Provider, reflecting what they can pay for the dwellings without the need for other public subsidy. LDP Policy H1¹ expects that delivery of affordable housing will be based upon the provision of free serviced land plus the cost of construction of the units and a reasonable margin based upon current recognised standards. Developers may seek to obtain a value for affordable homes that is higher than this but in so doing should not use the expectation of these higher values as a minimum threshold.
- 5.19 Appropriate occupancy and management arrangements should be put in place: a nominations agreement must be signed for affordable rented properties with the Registered Provider or other affordable housing provider so that the Council has 100% nomination rights on the first let of all affordable homes in the District, and no less than 95% of any subsequent occupancy nominations.
- 5.20 Where a Registered Provider is unable to offer the Council this proportion of nominations for some types of intermediate housing (as a result of funding agreements for example) this should be agreed with the Council at planning application stage. The agreed nominations provision will then be identified in the S106 agreement.
- 5.21 Applicants are nominated according to housing need, in accordance with that Council's current allocations policy. In some cases, such as for specialist housing, exception sites

or Community-Led housing, the Council may request that nomination rights are granted to another appropriate authority nominated by the Council.

- 5.22 The NPPF³ defines Build to Rent housing as *‘a wider tenure development comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically being professionally managed stock in single ownership and management control’*. This means that a registered provider would not be involved. The Council would welcome discussion with a developer on any such proposals and the long term sustainability of that type of management arrangement. The process for managing affordable private rent units will be set out in a S106 agreement. This would include details of the lettings agreement, the rent levels, split of homes across the development and a management and service agreement.

Delivery of Affordable Housing

- 5.23 The expectation is that no more than 50% of the market housing on the application site should be completed before all affordable housing has been constructed, transferred or leased to the Registered Provider. Where land is being transferred the same approach will be used. This will be set out in the Heads of Terms for the S106 agreement.

Financial Contribution in Lieu of Affordable Housing

- 5.24 A financial contribution will only be acceptable where:
- a) An LDP policy compliant scheme¹ does not generate a whole number. For example, if the percentage requirement generates 3.5 properties, 3 properties should be provided on site and a contribution would be required equivalent to the 0.5; or
 - b) The scheme proposes a small number of properties but exceeds the Policy H1¹ floorspace threshold; or
 - c) To create a better quality development there are justifiable design and housing reasons for affordable housing to be located off-site. For example, if the site size would result in a design and/or type of homes that would not meet the housing requirements identified by the Council; or
 - d) Provision of any affordable homes on site would make a development financially unviable but there is sufficient value from the development to make a financial contribution; or
 - e) The Council agree that the need for affordable homes could be better served through the receipt of financial payment.
- 5.25 The percentage target will be applied to the total number of market dwellings to be provided on the application site, including any increase in market units on the application site resulting from the provision of a financial contribution. Unless the type of affordable housing provided on site indicates otherwise, it should be assumed that this will be for a 2 bedroom, 4 person terraced house: this is the most common type of affordable housing required in the District.
- 5.26 The contribution will be based upon the average benchmark price to a Registered Provider for a home of that size and tenure (at the time of the application). The Council’s

Housing Services will provide this information - these values are monitored at least twice a year.

- 5.27 All contributions will be based upon the formula below:

Developer contribution: $A = B \times C$

A: the affordable dwelling payment

B: the average price for an affordable dwelling (by size and tenure)

C: policy requirement number of units

For example if 0.1 of a two bed property is required, which a Registered Provider is paying £100,000 for, then the financial contribution would be £10,000 = 100,000 x 0.1.

- 5.28 This approach has been used in the District since 2015 and is considered to be consistent with the three tests set out in national legislation relating to the use of planning obligations. The cost is a generally accepted value between Registered Providers and developers because it is directly linked to the cost of providing equivalent affordable homes in the District without including the cost of land which would be a disproportionate level of contribution for schemes which are struggling with viability. The costs are proportionate and can also be easily updated to take account of any changes in market conditions so the approach will remain relevant in the long term.
- 5.29 Where a developer considers that the financial contribution will make a scheme unviable, the Council will expect that evidence is submitted to ensure that the planning application can be considered effectively. This could include a viability assessment.

Payment of Contributions

- 5.30 Timing of delivery is important and the structure of the S106 agreement will reflect this. No less than 50% of the contribution should be paid prior to the commencement of the construction of any housing on the application site. The remaining contribution shall be paid by the date 50% of the market units on the site, or in the phase have been completed. This should be in accordance with a scheme of works to be submitted to the Council for approval. Where a development is being constructed in phases, this will apply to each phase unless it is agreed that the provision of affordable homes can be addressed in subsequent phases. In the case of large financial contributions, it may be possible to negotiate phased payments, particularly where it helps to improve scheme viability.
- 5.31 So that a financial contribution keeps its value and reflects changes in inflation costs arising between the date of planning permission and payment, financial contributions will be adjusted in line with an index of inflation, usually the Royal Institute of Chartered Surveyors (RICS) and Building Cost Information Service (BCIS) indices. This will be set out in a S106 agreement.
- 5.32 The contribution will be ring-fenced and - because affordable housing is not capable of being funded by the Community Infrastructure Levy - if necessary, pooled, to provide or increase the proportion of affordable housing in the District; alter the tenure of

affordable homes to help deliver affordable housing; or, make changes to the existing housing stock to meet an identified housing need; or, adjust tenures to meet the need of the District. In some cases, contributions may be sought to enable the provision of affordable housing - e.g. to provide infrastructure, remediation or re-provision of open space to allow the release of a suitable site for affordable housing where this will be the most cost-effective solution and an additional affordable homes will be provided.

- 5.33 All contributions will be allocated within 10 years of receipt of the funding. This is considered to be a reasonable timescale for the delivery of affordable housing. However, where a more strategic or complex intervention is needed, or resources need to be pooled from several large scale developments, then a longer time period may be sought (up to a maximum of 15 years). If the contribution is not spent at the end of the agreed contribution period, if requested by the payee, it will be returned.

6. EXCEPTION SITES

- 6.1 The NPPF³ defines exception sites as *‘small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority’s discretion, for example where essential to enable the delivery of affordable units without grant funding.’*
- 6.2 Entry level exception sites have been introduced by the NPPF³: *‘a site that provides entry level homes suitable for first time buyers (or equivalent for those looking to rent)’*. These should not be larger than one hectare in size or exceed 5% of the size of the existing settlement. Although the LDP is silent on entry level exception sites, the Council consider that the following guidance should apply to all exception sites.
- 6.3 LDP Policy H5¹ sets out the following process all applicants for Rural Exception Sites must use:

Stage 1: Getting Started

- 6.4 The best way to deliver affordable housing in rural areas is by working in partnership with key stakeholders, in particular with local communities. This includes Neighbourhood Forums who should lead on any needs identified in a Neighbourhood Plan. The Council will seek to achieve Exception Sites where the local community has given its support.
- 6.5 Registered Providers are encouraged to share information about potential development opportunities and local housing needs. Advice on housing and planning issues can be provided at pre-application stage.

Stage 2: Local Housing Needs Assessment

- 6.6 Exception sites should only be brought forward if there is a proven unmet local need for affordable housing in the area (see LDP Policy H5¹). For a community to be eligible for an exceptions site, a Housing Needs Assessment will be required. This should identify the level of affordable housing need in the Parish or relevant local area. A key part of the assessment is the Housing Needs Survey. The scope and methodology should be agreed with the Council. The survey should be widely distributed in the parish or local area, be in accordance with recognised guidelines and should address the housing need of each relevant household, including:
- Local connection information (e.g. length of time lived in the parish/area, close family living in the parish/area, employed in the parish/area, grown up in the parish/area);
 - Reasons for housing need;
 - Income and expenditure;

- Tenure appropriate to meet housing needs and aspirations;
- Household size, age and composition;
- Specific housing requirements such as need for adaptations, level access, need for housing related support.

- 6.7 The Council should be contacted for available information about housing need. Information relating to consented residential development schemes in the locality should be assessed, particularly relating to housing mix. The survey results should identify an affordable housing need and the type of that need, and that the need can be delivered through a viable development.
- 6.8 Information about household size and tenure will inform scheme design, dwelling size and tenure mix. Income information in relation to their needs and local housing costs will be assessed against the housing need criteria for the Council's housing register and will help determine whether affordable housing is needed.
- 6.9 The survey results and assessment should be discussed with the Council and the Registered Provider, if known. Only if it is clear from the survey that there are people living in the parish who are in housing need and are unable to compete in the housing market (to buy or rent) because of the level of their income, is an exception site a possibility. The survey will give an indication of the number, type and tenure of affordable homes that are needed by people with a local connection to ensure that the proposal is meeting a genuine housing need and is not providing an over concentration of a particular type of housing in an area of the District. Individual responses will be kept confidential.

Stage 3: Selecting a Registered Provider

- 6.10 It may be useful to select and work with a Registered Provider at an early stage so that guidance can be provided on the feasibility of a possible development. To ensure that the housing is developed and managed appropriately, it is important that the provider is either approved by Homes England or operates in the same way as a Registered Provider (see 5.14 for further details) and is approved by the Council's Housing Service.
- 6.11 Exceptions sites are those which are 'exceptions' to adopted planning policy. Although landowners should expect a fair return for their land the value will not be the same as that generated by a policy compliant development taking into account alternate use as well as existing use value (see Section 8). The Council may refer to other similar developments to provide a benchmark.

Stage 4: Site Selection

- 6.12 Rural exception sites should be small scale, preferably adjacent to the defined settlement boundaries and outside the strategic growth areas. Entry level exception sites should be consistent with national policy³. Applicants should consider a number of potential sites in a locality to ensure that the most sustainable is selected. This is important to justify site selection particularly if the proposed site is detached from a settlement boundary. Previously developed land and conversion of buildings should be considered: the Council's Brownfield Land Register is a good starting point (see www.maldon.gov.uk for more details).

- 6.13 The assessment for each site should include information on:
- Relationship to the built form of the existing settlement;
 - Highway, pedestrian and cycle access and safety;
 - Ability of local infrastructure to accommodate the development;
 - Accessibility to key local shops and services;
 - Environmental constraints: including landscape character, flood risk, heritage assets, ecology assets, agricultural land quality; and
 - Implications of any relevant planning policy

Information is available in the LDP evidence base (see www.maldon.gov.uk/LDP).

- 6.14 Site availability is a key factor: The willingness of the landowner to make a site available for development at the correct time, on acceptable terms and at fair value will be a key factor in determining viability and deliverability.

Stage 5: Identifying Amount and Mix of Housing

- 6.15 Once the preferred site has been selected, detailed proposals will need to be worked out with the Council's Housing Officers and the Registered Provider/enabler. The number, size and tenure mix of dwellings will vary according to the level of local need identified by the Housing Needs Survey, the nature of the site identified and the size of the existing settlement. But, the amount and type of housing proposed should be in keeping with the role, function and sustainability status of that settlement.
- 6.16 National policy³ states that an element of market housing may be appropriate on a rural exception site. The Council consider this should be the minimum needed to cross subsidise a viable affordable housing scheme, without public subsidy, to ensure the focus of the scheme remains affordable housing delivery (and keeping the land value at a level sufficient to allow a Registered Provider to be able to deliver a viable scheme).
- 6.17 All schemes must be deliverable: Viability should be confirmed, (taking account of any planning and financial constraints which exist) this could in the form of a viability assessment (see section 8.0). Where market housing is proposed the evidence will need to show that the proportion of market housing is essential to deliver the agreed amount of affordable housing identified in the Housing Needs Survey.
- 6.18 It is important that a pre-application consultation is undertaken. This provides the Registered Provider and the local community with the opportunity to clarify and confirm local expectations and modify the scheme prior to submitting a planning application.

Stage 6: Submit Planning Application

- 6.19 The Registered Provider will progress the site through the consultation, planning and development process. The design should minimise the impact on the character and appearance of the adjoining townscape and the wider countryside.
- 6.20 All exception sites are subject to a S106 agreement to ensure that the properties (or where there is a market element, the affordable units) will be available for people in housing need and prioritised for those with a local connection to the parish or group of

adjacent parishes, in perpetuity. The draft Heads of Terms should be agreed at planning application stage.

Stage 7: Delivery and Management

- 6.21 Applicants will be required to show that the type of housing and the nominations rights set out in the S106 agreement (see paragraphs 5.14-5.21) meet the needs and requirements of that local community. Amendments may be sought to the nominations rights, including the prioritisation of intended nominees where this does not adequately reflect the outcome of the public consultation. The eligibility requirements should comply with the Housing Act 1996 Part VI – the Allocation of Housing Accommodation.

7. PROCEDURE FOR NEGOTIATING AFFORDABLE HOUSING

- 7.1 Developers are expected to be familiar with the content of the LDP¹ and the guidance contained in this SPD before a planning application is submitted. Therefore all schemes should be policy compliant. To make sure that planning applications requiring affordable housing are dealt with in a consistent and transparent way a clear process will be used.

Pre-application and application negotiations

- 7.2 Developers should discuss their proposals with the Council before submitting a planning application. Pre-application discussions enable developers to positively discuss appropriate provision and justify their approach. This is particularly important in those exceptional circumstances where a scheme is not expected to be policy compliant. Pre-application discussions will highlight the likely impact of development, the amount and type of affordable housing required, and level of other developer contributions likely to be sought. This service is intended to help speed up the development process and avoid unacceptable proposals. Further information on the pre-application and planning application process is available on the Council's website www.maldon.gov.uk

- 7.3 For pre-application discussions to be productive developers need to ensure that as much information as possible is supplied. This should include, where known, information on:

- Total amount of affordable housing proposed;
- Total amount of housing proposed in terms of units and habitable rooms;
- Amount of affordable rented and intermediate housing proposed;
- Number of bedrooms, floor areas and number of people able to occupy affordable rented and intermediate housing units;
- For each tenure, the numbers of dwellings of different sizes (i.e. number of bedrooms);
- The weekly cost to the occupier of the proposed affordable units including realistic and affordable service charges;
- Details of the affordability and tenure of the intermediate homes and how these will provide for a range of income groups;
- Assumptions on cost of transfer to a Registered Provider;
- Phasing of delivery and the mechanism for handover of affordable homes;
- Nomination rights;
- Mechanisms for ensuring adequate management of the properties.

This information will form the basis of the draft Heads of Terms.

- 7.4 If pre-application discussions are not sought, affordable housing requirements will be identified when a planning application is submitted. To reflect current Government thinking the Council will expect all relevant applications to submit draft Heads of Terms containing the information identified in paragraph 7.3 and proof of title. The applicants'

solicitor's details should also be provided. Applications that do not include this information will not be validated.

- 7.5 At outline planning application stage it may not be clear how many dwellings are proposed, and potentially this number could change at reserved matters stage. Where the housing mix has not been determined in an outline planning application, the Council will append a planning condition which stipulates that the details of the housing mix are submitted as part of the Reserved Matters application and should be in accordance with the SHMA².
- 7.6 CIL will only be applied to market housing.

Section 106 agreements

- 7.7 Provision of affordable housing will be secured by Section 106 (S106) agreement. This is a deed entered into by the Council and the landowner and/or applicant which outlines the details of a planning obligation, such as affordable housing. It is made under the provisions of Section 106 of the Town and Country Planning Act 1990.
- 7.8 S106 agreements run with the land so will bind successive owners. It is recorded as a land charge. If the applicant does not own the land the landowner and any third parties of the mortgage will need to be party to the agreement. A S106 agreement may contain a number of planning obligations depending on the complexity and scale of the development and what would be necessary in order to grant planning permission.
- 7.9 It is advisable to involve a solicitor because the deed and its undertakings can restrict the use of the property or land in the future. Alternatively, some applicants may choose to use their agent or planning consultant. However a solicitor will be required to confirm title to the land concerned.
- 7.10 The length of time taken to complete a S106 agreement will vary. However, to ensure the S106 agreement process is efficient, draft Heads of Terms should be submitted with the planning application to enable the Council to finalise the agreement as soon as possible after the planning permission has been granted (subject to a S106 agreement) by Planning Committee. But this will depend on the agreement being substantially completed (and where necessary that Committee is aware of its substantive contents) and being capable of being signed by all parties soon after the decision is made. A completed S106 agreement must be agreed and in place before planning permission can be granted.
- 7.11 The Council uses a standard S106 template, with standard clauses for affordable housing. S106 agreements can be lengthy and complex: An executive summary should be provided which sets out details of the development, *'what is to be provided by each planning obligation, including any affordable housing to be provided and any trigger points for contributions'* (Viability PPG, 023). Triggers will be used to enable delivery of affordable housing or a financial contribution. Appropriate clauses will be included to secure interest for late payment from the relevant trigger point in the agreement. In exceptional cases, the original Registered Provider may be unable to fulfil their agreement to deliver the housing. To prevent the housing being lost from the affordable

stock a standard clause will be used to require the developer to secure a second Provider.

- 7.12 Legal agreements should incorporate mortgagee in possession clauses appropriately, to protect the lender's investment. Where a Registered Provider fails to repay a mortgage and the lender takes possession of the property(s), the lender can then sell the homes as market housing.
- 7.13 The developer will be expected to pay the Council's legal costs for the preparation of a S106 agreement and any deed of variation.

Re-negotiation of a S106 Agreement

- 7.14 The Council will work with developers to find solutions in cases where the viability of the scheme has been proven to have substantially changed and there is difficulty in meeting the affordable housing trigger set out in a S106 agreement or complying with other terms in the deed. Such circumstances could include: where the development is proposed on unallocated sites of a wholly different type to those used in the Whole Plan Viability Assessment¹⁶; *'where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from the standard models of development for sale; or where a recession or similar significant economic changes have occurred since the LDP was approved'* (Viability PPG, 007). An option to improve viability could be through agreeing provision at a later stage of the development, or agreeing payments by instalments. In these cases the guidance in Section 8.0 will apply.
- 7.15 A S106 agreement can be re-negotiated at any point, where both the Council and the developer/landowner wish to do so. If there is no agreement to voluntarily re-negotiate, and the S106 agreement predates April 2010 or is over 5 years old, an application will be required to change the obligation where *'it no longer serves a useful purpose'* or would *'continue to serve a useful purpose in a modified way'* (Planning Obligations PPG, 2016, 009). Guidance concerning applications received before the end of April 2016 still applies and can be found at www.gov.uk
- 7.16 Where a S106 agreement is amended a Deed of Variation will be required to ensure any relevant changes to the planning obligation are captured. The Council will not adjust the affordable housing provision downwards through the use of a Deed of Variation but will consider varying the tenure of the affordable housing (without reducing the number of units) in this way if it is agreed that viability will be improved.
- 7.17 Affordable housing is required to make a scheme policy compliant. Therefore, in those exceptional cases where it is agreed by all parties that a reduction in the level of affordable housing is required, a new or modified planning permission will be required.

Administration and Enforcement

- 7.18 The developer will be liable for the Council and the Registered Provider's legal costs and for drafting, negotiating and signing any S106 agreement and variation agreements.
- 7.19 Monitoring of obligations will be undertaken by the Council's S106 Monitoring Officer. This will ensure all obligations are secured at the right time and are delivered within the right timeframe by the Council, the developer and the Registered Provider.
- 7.20 If a S106 agreement is not being complied with, the Council will enforce obligations through the relevant legal channels once all other reasonable approaches have been exhausted. In such cases, the Council will seek to retrieve its legal costs against the party that is in breach of its obligations. The Council also has the power to enter land and carry out any works that are required and, if necessary, recover costs from the developer or landowner.
- 7.21 A regular S106 Monitoring Report to the Council's Overview and Scrutiny Committee will provide transparency: this will identify affordable housing/financial contributions negotiated and affordable housing delivered in the previous financial year, as well as those planned for the coming year. Progress with S106 agreements and expenditure in general will be reported annually in the Council's Infrastructure Funding Statement to be submitted to Government and in the Maldon District Authority Monitoring Report.

8. VIABILITY ASSESSMENTS

- 8.1. A viability assessment is an appraisal of the economics of a development. It can be used to determine what level of affordable housing an applicant could provide that would not prevent the delivery of a development.
- 8.2. It is essential that developers and agents manage the expectations of landowners. It is not acceptable for land values to be based on the price paid for land, an aspirational sum sought by a landowner, assumptions of low affordable housing delivery, excessive densities, or predicted value growth as these will lead to inflated site values. This undermines the implementation of the LDP and the ability of the Council to deliver affordable housing.
- 8.3. A viability assessment includes calculating the uplift in land value arising as a result of planning permission being granted for a proposed development. The Viability PPG (013) states that *'to define land value for a viability assessment, a benchmark land value should be calculated on the basis of the existing use value (EUV) of the land, plus a premium for the land owner. The premium for the landowner should reflect the minimum return at which a reasonable landowner would be willing to sell their land.'* This is also known as Existing Use Value Plus (EUV+). If the residual land value is below the benchmark land value for the site, the applicant should provide evidence to justify the uplift to existing and alternative use values.
- 8.4. Therefore, a viability assessment should be based on the benchmark land value for a policy compliant scheme, which should allow for the landowners premium, abnormal costs and be informed by current market evidence.
- 8.5. The Viability PPG (014) states that the benchmark land value should *'be informed by market evidence including current uses, costs and values'*. It adds that *'this evidence should be based on developments which are compliant with policies, including for affordable housing... This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.'* RICS adds that *'if market value is based on comparable evidence without proper adjustment to reflect policy compliant planning obligations, this introduces a circularity, which encourages developers to overpay for site and try to recover some or all of this overpayment via reductions in planning obligations'* (Financial Viability in Planning, 2012¹⁷). A market value approach will therefore not be accepted.
- 8.6. The Viability PPG (014) states that *'the cost implications of all relevant policy requirements including planning obligations, and where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.'* Affordable housing should be identified as a development cost because it will influence the level of uplift in land value once planning permission is granted. The Council agrees that benchmark land values that are not based on appropriate evidence do not necessarily deliver the

maximum amount of affordable housing. The Council will work with developers to agree a model which does deliver the maximum affordable housing, taking into account all other aspects of the development.

- 8.7. As such, the Council's default position is that all qualifying development should comply with LDP Policy H1¹. As the affordable housing requirements are set out in the approved LDP the Council considers that the cost of providing affordable housing, at the policy compliant level, should be factored into any land valuation prior to an offer for the land being made. The Viability PPG (014) reinforces this *'under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).'* This approach avoids:
- 8.8. Unrealistic land value demands and the developer having to re-negotiate the land value with the landowner at a later date;
- Having to negotiate a lower than policy level of affordable housing; and
 - The risk of an application being refused.
- 8.9. But, there will be circumstances where viability is a genuine concern and needs further consideration. A viability assessment will help the Council determine whether the proposed level of affordable housing (and other developer contributions) is the maximum that can be reasonably delivered, or whether there is scope for further contributions to be made as part of a viable scheme. The Council will use the process overleaf to assess viability. A standard toolkit may also be introduced to allow comparison of sites.
- 8.10. To ensure the planning application process is open and transparent the Viability PPG (021) requires that any *'viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances. Even in those circumstances an executive summary should be made available'*. This is consistent with the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 that all information should be publicly accessible. These are qualified by a public interest test and recent tribunal decisions (e.g. Royal Borough of Greenwich vs ICO & Shane Brownie EA/2014/0122; RB and Clyne vs ICO & Lambeth EA/2016/0012): demonstrating that the public interest in keeping confidentiality rarely outweighs the public interest in disclosing information. As a result, the majority of information submitted as part of, and in support of a viability assessment, including any review or assessment of the appraisal undertaken for the Council, will be published for comment.
- 8.11. National legislation allows for limited exceptions, *such as information relating to ongoing negotiations over land purchase, information relating to compensation that may be due to individuals* (Viability PPG, 021). Developers will be required to demonstrate why disclosure of specific information would cause an 'adverse effect' and harm to the public interest. The Council will assess all exceptions against the adverse effect and public interest tests set out in national legislation. If these exceptional circumstances are likely to arise, these should be identified at pre-application stage.

Pre-Application Stage

- 8.12. At this stage, the level of detail required in a viability assessment will depend on the scale of the proposal and how much detail it contains. But if there are likely to be policy compliance issues, it is recommended that detailed viability information is provided to give the Council the opportunity to provide applicants with relevant advice. Failure to provide an assessment which has been prepared in accordance with this SPD will limit the advice the Council are able to provide, and may slow the planning process once an application is submitted.

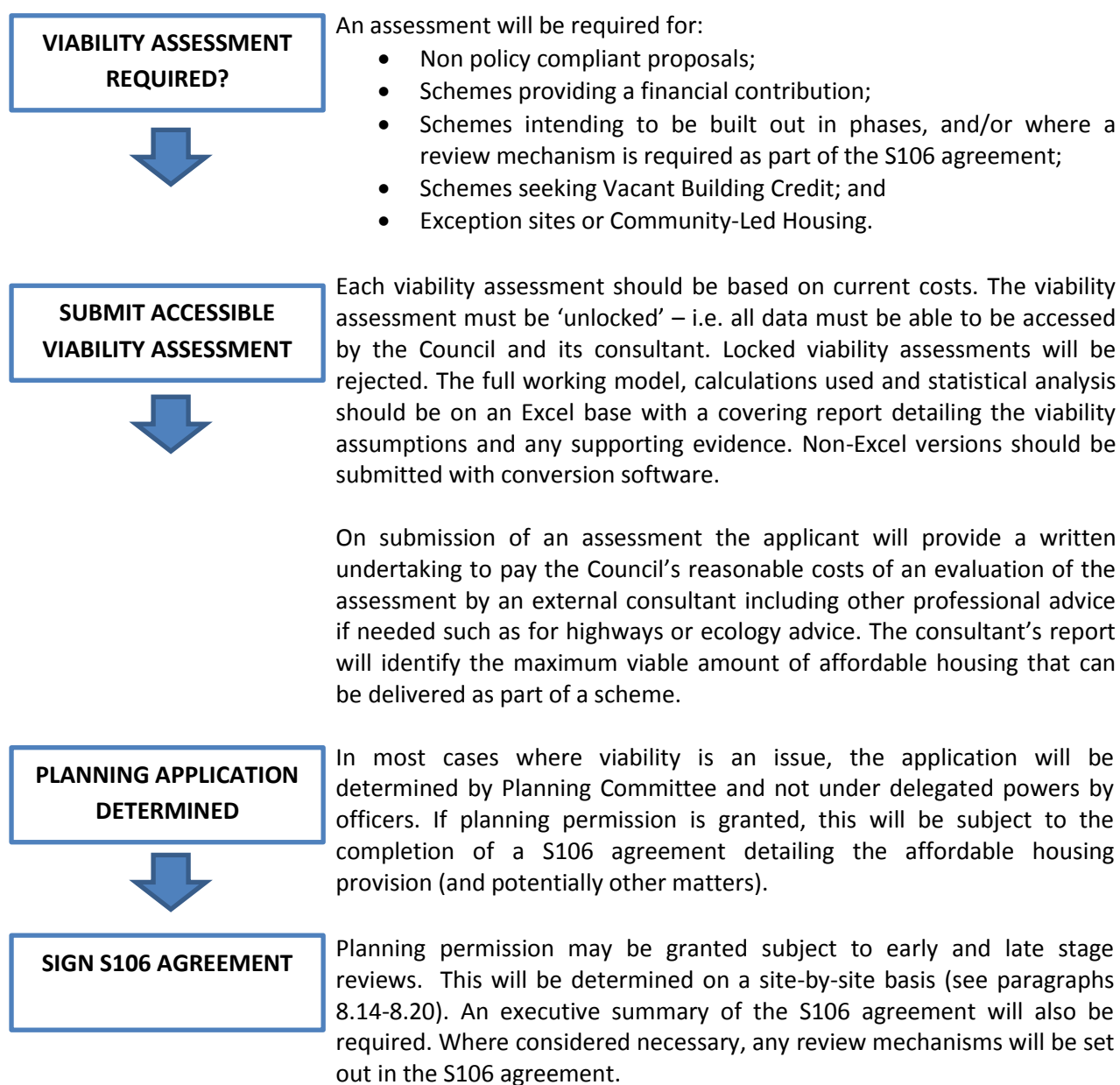


Figure 2: Viability Assessment Process

Policy Compliant Scheme

- 8.13 The Viability PPG (007) states that *‘where up to date policies have set out contributions expected from development, planning applications that comply with them should be assumed to be viable.’* However, the Council may request that the developer demonstrates how the affordable housing will be delivered as part of a viable scheme. Should the applicant then seek to change the affordable housing provision because of viability, this information will be used as a benchmark for any negotiations. In these cases, applicants should first engage with the Council to see if the original affordable housing can be achieved with grant.

Varying planning conditions

- 8.14 Where an application is made to vary a planning condition that will have an adverse impact on the provision of affordable housing, a viability assessment may be sought as evidence to support the planning application. This includes:
- To increase or decrease the number of residential units in a scheme; and/or
 - To vary the tenure mix, or there is a change of use of units to residential; and/or
 - To change the use of any non-residential units; and /or
 - To change the development, that in the opinion of the Council could alter the viability position. Any application to amend or vary a planning condition might also require a Deed of Variation to the original planning permission to ensure that the originally agreed terms are applicable to the new permission.

Review Mechanism

- 8.15 Development values within a viability assessment should be based on current values at the time the planning application is submitted. But, there is normally a time lag between granting planning permission and building out the development. Planning permissions allow three years within which to start construction and the development period can lead to further delays. During this time, significant changes can occur to viability.
- 8.16 There may also be circumstances where the Council acknowledges that at the point an application is being assessed a policy compliant scheme is not possible, but the position could change due to reductions in costs, increases in values and reduced risk. Any improvements in viability over the development period should benefit the community as well as the developer.
- 8.17 The Viability PPG (009) states that *‘Plans should set out the circumstances where review mechanisms may be appropriate, as well as clear process and terms of engagement regarding how and when viability will be reassessed over the lifetime of the development to ensure policy compliance and optimal public benefits through economic cycles’.* However, the Council may request that review mechanisms be used in the following cases:
- For an approved scheme with a policy non-compliant affordable housing offer: the S106 agreement will provide for a re-appraisal of viability based on time or unit number triggers;
 - For phased, larger scale developments: it may be that the total affordable housing requirement cannot be secured at the planning application stage but there may be

an opportunity later, usually as a result of increased sales values in relation to construction costs, or positive changes in market conditions, that allows a positive re-assessment that demonstrates additional viability. This would allow funding for additional affordable housing to be secured, whilst maintaining the viability of the overall development;

- For developments that have abnormal costs, such as site remediation or infrastructure, where funding becomes available to reduce these costs.

8.18 Should a review mechanism be considered appropriate, the Council will expect:

- Full disclosure of all relevant information. All development expenditure should be reasonably and properly attributed to the development;
- Inputs to the assessment to be in line with this SPD;
- Where there is a non-standard transaction, the figure to be included in the assessment; and
- Re-assessment to be the open market value of the market dwelling(s) as at the date of the transaction.

8.19 The timing of a review will be determined on a site-by-site basis to reflect the number of homes being developed and the development timetable. But all reviews must take place before the sale of the whole development to ensure that the review and any additional contribution arising from this are enforceable. The Council's review mechanism process is set out overleaf.

Terms of review mechanisms

8.20 Where review mechanisms are used the S106 agreement will:

- Identify the point(s) at which the review(s) should take place;
- Establish a threshold level of viability at which additional affordable housing and/or developer contributions will be required based on the target profit agreed at the application stage and the developer's cash flow over the development timetable;
- Establish that the review will assess changes to costs, values and reasonableness of margins;
- Be based on the current 'actual' data from the development – the price paid or rental value for the completed unit benchmarked against similar schemes. This will depend on the timing and specifics of the review;
- Establish a cap for additional provision as that for a policy compliant scheme;
- Identify whether the affordable housing provision will be sought on-site or as a financial contribution;
- Make provision for the full costs of the Council of negotiating, undertaking and assessing a viability review which should be borne by the applicant.

8.21 The Council will use this approach at each review stage until the later review. If a late review is required (when 75% of units have been completed) a financial contribution will be sought to deliver the additional affordable housing. The viability assessment undertaken to inform any previous reviews should inform any subsequent assessments. See Appendix 5 for formulas used to secure affordable housing.

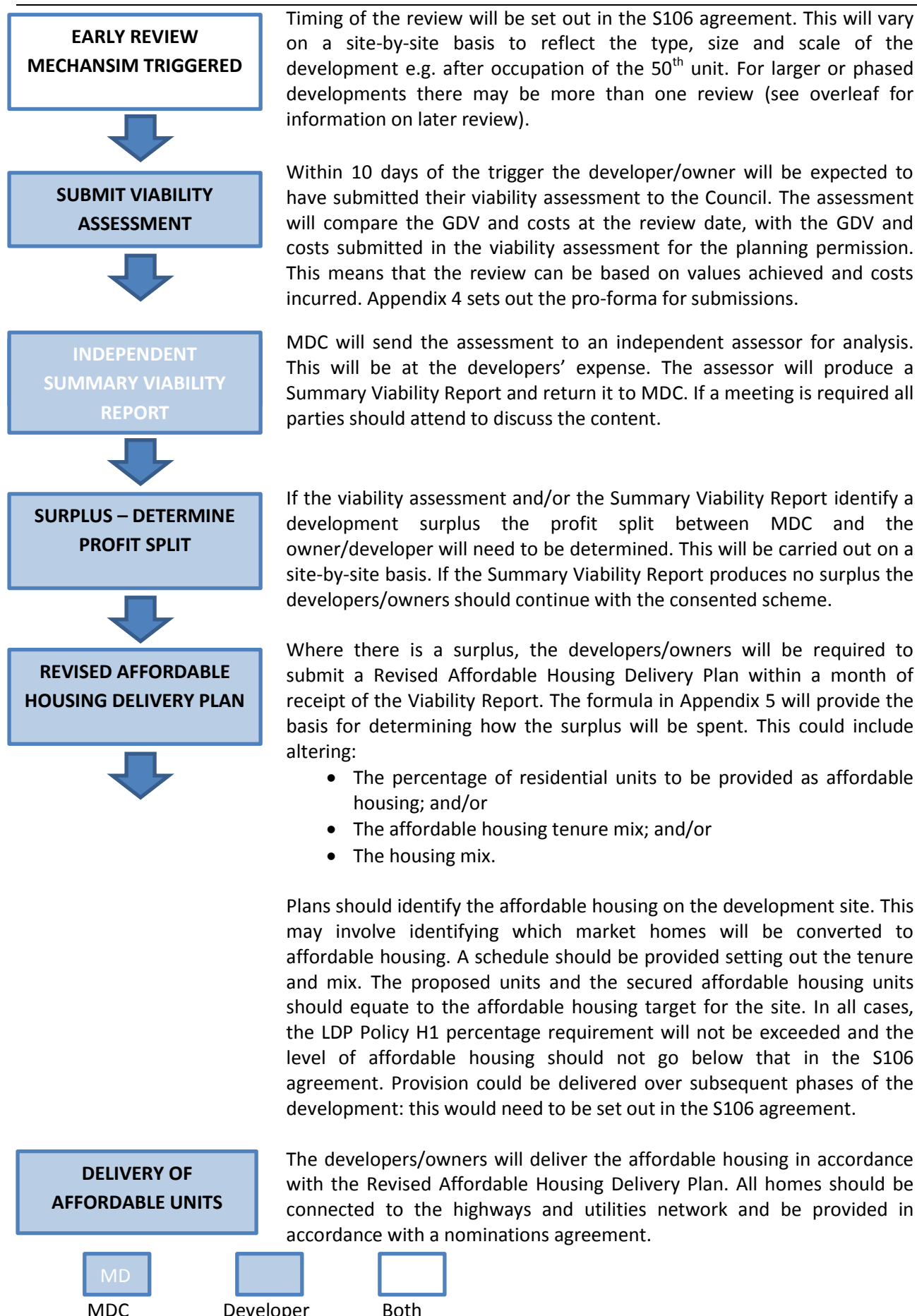


Figure 3: Review Mechanism process

9. MONITORING AND REVIEW

- 9.1 The delivery of affordable housing through new development will be monitored annually in the Council's Infrastructure Funding Statement and also in the Maldon District Authority Monitoring Report. It will enable the Council to identify and monitor the number of developments that meet identified standards across the District.
- 9.2 A review of this SPD will be considered if:
- The AMR identifies that Policies H1, H2 and H5 are not effective in delivering the identified level of affordable housing;
 - There are significant changes to the Local Development Plan's evidence base that indicate the LDP is unable to deliver the identified level of affordable housing;
 - There is a significant change in national planning guidance; or
 - The SPD is insufficiently effective in enabling affordable housing.

Glossary

Abandoned Building		Where the lawful planning use of the building has been abandoned for a continuous period of five years.
Affordable Housing		<p>Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:</p> <p>a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).</p> <p>b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.</p> <p>c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.</p> <p>d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.</p>
Alternative Use Value	AUV	The comparison of the proposed use to the value of a permissible or feasible alternative use.
Authority Monitoring Report	AMR	A mechanism for assessing performance of policies contained within the Local Development Plan.
Benchmark Land Value	BLV	The value below which a reasonable land owner is unlikely to release a site for redevelopment.
Build to Rent		Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development scheme comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.
Co-housing		Intentional, self-managed community, made up of single private dwellings and additional shared communal facilities such as a common house with a community kitchen and dining room. Cohousing communities can be mixed tenure.

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Community Infrastructure Levy	CIL	A levy allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area.
Community Land Trust	CLT	Independent local organisations established to tackle housing market issues and create permanently affordable intermediate housing for purchase and for rent. CLTs sometimes own other facilities on behalf of the community.
Community-Led Housing		Development of affordable homes led by local community groups. Can take a number of forms and routes, such as self-build, Community Land Trusts or exception sites. Development must be in addition to developments allocated by the Local Plan.
Community Right to Bid		Community groups can nominate both privately and publicly owned assets to be included on a list of assets of community value. This list is managed by the council. If a landowner wants to sell a registered property, they must tell the council. If a community group wants to buy the asset, they can trigger a 6 month moratorium to give them a chance to prepare a bid for it. During this period, the owner cannot sell their property on the open market. This gives community groups an opportunity to develop a proposal and raise the required capital. At the end of the 6-months, the owner is free to sell the asset to whoever they wish and at any price. Also known as Assets of Community Value.
Community Right to Build		An Order made by the local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a site-specific development proposal or classes of development.
Cooperative housing		A housing organisation where tenants democratically control and manage their homes.
Developer contributions		Developer contributions, also known as planning obligations, can be secured via a Section 106 legal agreement or planning condition attached to a planning permission. They help mitigate any adverse impacts generated by new development on infrastructure and facilities.
Developer profit		A factor of gross development cost or gross development value and is the price at which a reasonable landowner would be willing to sell their land for the development.
Entry Level Exception Site		A site that provides entry level homes suitable for first time buyers (or equivalent for those looking to rent)
Existing Use Value Plus Premium	EUV+	The current use value of a site plus an appropriate site premium added to provide the landowner with an additional incentive to release the site.
Greenfield sites		Land that has not previously been developed.
Gross Development Value	GDV	All values that contribute to the overall value of a scheme.
Gross Internal Area	GIA	The area of a building measured to the internal face of the perimeter walls at each floor level.
Habitats Regulations Assessment	HRA	A Local Plan evidence base document that tests the impacts of a Local Plan or development proposal on nature conservation sites of European importance and is a requirement under EU legislation.
Local Development Plan	LDP	The plan for the future development of the local area, drawn up by the Local Planning Authority in consultation with the community. This is described as a Development Plan Documents adopted under the Planning and Compulsory Purchase Act 2004.
Local Housing Allowance	LHA	Welfare payment for those on low incomes or reliant on benefits to meet the cost of housing.
Major Development		A proposal of 10 or more dwellings or a site area of 0.5 hectares or more, or non residential development is for 1,000 square metres or more of floorspace, or has a site area of 1 hectare or more.
National Planning Policy Framework	NPPF	Sets out the Governments planning policies for England and how these are expected to be applied.
Planning Practice Guidance	PPG	A web-based resource provides more detailed guidance on the contents of the NPPF.

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Neighbourhood Plan		Formally introduced under the Localism Act 2011, a neighbourhood plan is prepared by a parish council or neighbourhood forum for a designated neighbourhood area. In law this is described as a neighbourhood development plan in the Planning and Compulsory Purchase Act 2004.
Previously Developed Land	PDL	Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or has been occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill, where provision for restoration has been made through development management procedures; land in built-up areas such as private residential gardens, parks, recreation grounds and allotments; and land that was previously-developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape in the process of time.
Public Subsidy		Grant, public loans and public land.
RAMSAR Site		Wetlands of international importance designated under the 1971 Ramsar Convention.
Registered Provider	RP	Technical name for a body registered with Homes England so are approved to deliver affordable to deliver affordable housing in England. Most Housing Associations are RPs.
Residual Land Value	RLV	A method used to determine the value and potential profitability of land or property based on gross development value minus any expenses related to the development of the land.
Review Mechanism		Clause(s) in a S106 agreement designed to trigger changes in development values and build costs within a viability assessment as a result of development starting.
Rural Exception Site		Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable units without grant subsidy.
Section 106 Agreement	S106	A legal agreement entered into by the Council and the developer or applicant and Registered Provider which outlines the details of a planning obligation(s), such as affordable housing required to make an application acceptable in planning terms.
Self-help housing		Involves groups of local people bringing empty properties back into residential use. Use varies from long term tenancies to short life housing to meet immediate needs such as move on accommodation and supported housing.
Special Area of Conservation	SAC	Areas defined by regulation 3 of the Conservation of Habitats and Species Regulations 2017 which have been given special protection as important conservation sites.
Special Protection Area	SPA	Areas classified under regulation 15 of the Conservation of Habitats and Species Regulations 2017 which have been identified as being of international importance for the breeding, feeding, wintering or the migration of rare and vulnerable species of birds.
Strategic Environmental Assessment	SEA	A procedure (set out in the Environmental Assessment of Plans and Programmes Regulations 2004) which requires the formal environmental assessment of certain plans and programmes which are likely to have significant effects on the environment.
Strategic Housing Market Assessment	SHMA	Assessment of the Council's housing requirements based upon the local housing market, which studies the supply and demand of housing, housing and planning policies, the need for affordable housing and the affordability of the local housing market.

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Supplementary Planning Document	SPD	Documents which add further detail to the policies in the development plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.
Vacant Building Credit	VBC	Allows the floorspace of existing buildings that are to be redeveloped to be offset against the calculations for section 106 affordable housing requirements (whether financial contribution or provision).
Viability assessment		An assessment of all development costs including central and local government policy requirements, regulatory costs and the cost and availability of finance, to determine whether a scheme provides a competitive return to the developer and generates a land value sufficient to persuade the landowner to sell for the development proposed.
Whole Plan Viability Study		Identifies the costs that the Local Development Plan policies will impose on development, and considers what impact those costs will have on financial viability of a development scheme.

APPENDIX 1: REFERENCES

Reference Number	Document	Author	Publication Date
1	Maldon District Local Development Plan	Maldon District Council	July 2017
2	Maldon District Strategic Housing Market Assessment Update	DCA	2014
3	National Planning Policy Framework	MHCLG	July 2018
4	Maldon Affordable Housing Guide	MDC	December 2005
5	Strategic Environmental Assessment Screening Report	MDC	2017
6	Equalities Impact Assessment	MDC	2017
7	Planning Practice Guidance	MDCLG	
8	Maldon District Design Guide SPD	MDC	December 2017
9	Maldon District Specialist Needs Housing SPD	MDC	September 2018
10	Maldon District Draft Housing Strategy	MDC	2017
11	Maldon District Tenancy Strategy	MDC	2017
12	RICS Property Measurement	RICS	2015
13	Technical housing standards – nationally described space standard	DCLG	2015
14	Maldon District Renewable and Low Carbon Technology SPD	MDC	2018
15	Maldon District Vehicle Parking Standards SPD	MDC	September 2018
16	Local Plan and Community Infrastructure Levy Viability Study	HDH Planning and Development Ltd	August 2013
17	Financial Viability in Planning	RICS	2012

APPENDIX 2: KEY LOCAL DEVELOPMENT PLAN POLICIES**Policy H1: Affordable Housing**

All housing developments of more than 10 units or 1,000 sqm will be expected to contribute towards affordable housing provision to meet the identified need in the locality and address the Council's strategic objectives on affordable housing.

The affordable housing requirements for each sub-area in the District are as follows:

Sub-area requirements	
North Heybridge Garden Suburb:	
North of Heybridge - S2(d)	30%
North of Holloway Road - S2(e)	40%
West of Broad Street Green Road - S2(f)	40%
South Maldon Garden Suburb	30%
Strategic Allocations at Maldon, Heybridge and Burnham-on-Crouch	40%
All other developments:	
Northern Rural, Maldon Central and South and Rural South*	40%
Maldon North and Rural South East Higher	30%
Rural South East Lower	25%

*As indicated in FIGURE 1 of this SPD

Any relaxation of the above requirements will only be considered where the Council is satisfied, on a site by site basis, that such requirement will render any development proposals unviable.

Affordable housing should be provided on-site, either through free serviced land provided to a registered provider or constructed affordable dwellings to be sold to a registered provider upon completion to provide the number, size, type and tenure of affordable homes required by the Council's policies having regard to the SHMA, the Council's adopted Affordable Housing Guide, and the Council's Housing Strategy.

In exceptional circumstances the Council may consider accepting financial contribution from the developer where it is justified that affordable housing cannot be delivered on-site, or that the District's need for affordable housing can be better satisfied through this route. Commuted sums will also be charged for an incomplete number of affordable units provided on site.

The development of any affordable housing and the calculation of any financial contributions should be in conformity with the details set out in the Maldon District Strategic Housing SPD.

Policy H2: Housing Mix

All developments will be expected to provide a suitable mix and range of housing in terms of size, type and tenure to reflect local housing need and demand in both the market and affordable sector, particularly the need for an ageing population.

Wherever possible affordable housing should be located in a way that ensures the homes are integrated with the rest of the development; in most cases this will mean in clusters of no more than 15 to 25 homes in one part of a development. The design and appearance of affordable housing should also be indistinguishable from those built for the open market, meet standards detailed in the Maldon District Strategic Housing SPD, and be of a tenure recognised by the National Planning Policy Framework.

Where appropriate, the Council will work with developers, registered providers, landowners and relevant individuals (or groups of individuals) to address identified local need for Self Build housing. Any relaxation of the above requirements will only be considered where the Council is satisfied, on a site by site basis, that such requirements will render any development proposals unviable.

Policy H5: Rural Exception Schemes

Outside of the defined settlement boundaries and strategic growth areas, land which may not otherwise be considered appropriate for residential development may be released for a Rural Exception Scheme for affordable housing development where there is an identified need within that parish or community for affordable housing.

Any Rural Exception Scheme must adhere to the following process:

- 1) Engagement with local community and the undertaking of a local needs assessment in accordance with recognised guidelines; and then
- 2) Selection and appointment of a suitable Registered Provider of affordable housing in association with the Council; and then
- 3) Agreement with the Council on the quantum and composition of development most suitable to the locality based on an identified need, site availability, and an 'open book' viability assessment; and then
- 4) Identification of a number of potential sites in the locality and selection of the most sustainable site, taking into consideration site availability, condition and capacity of existing infrastructure servicing the proposed scheme.

The Council will normally expect Rural Exception Schemes to provide 100% affordable housing for local needs. Any other types of tenure, for example market housing, will only be considered where it can be demonstrated, through a viability assessment, that this is essential to facilitate the affordable housing scheme to meet the identified local need.

APPENDIX 3: AFFORDABLE HOUSING DWELLING MIX

The following example mixes are set out to reflect the sub-area requirements in Policy H1.

Sub Area Requirement of 40%

Example of 100 homes: 40 affordable of which:

- 30% general needs 1bed: – one third low cost home ownership = 12 1 bed homes (8 for rent and 4 low cost home ownership)
- 10% 1 bed bungalows for rent = 4 1 bed bungalows
- 10% 2 bed bungalows for rent = 4 2 bed bungalows
- 40% 2 bed general needs housing – 80% for rent = 16 2 bed homes (13 for rent and 3 low cost home ownership)
- 10% 3 bed+ - at least 50% for rent = 4 3 bed homes, at least 2 for rent

Sub Area Requirement of 30%

Example of 100 homes: 30 affordable of which

- 30% 1 bed – one third low cost home ownership = 9 1 bed homes (6 for rent and 3 low cost home ownership)
- 10% 1 bed bungalows for rent = 3 1 bed bungalows
- 10% 2 bed bungalows for rent = 3 2 bed bungalows
- 40% 2 bed = 12 2bed homes (10 for rent and 2 low cost home ownership)
- 10% 3 bed+ = 3 3 bed+ homes, at least two for rent.

Sub Area Requirement of 25%

Example of 100 homes: 25 affordable of which:

- 30% 1 bed – one third low cost home ownership = 7.5 1 bed (5 for rent, 2 low cost home ownership) contribution for 0.5
- 10% 1 bed bungalows for rent = 2.5 1 bed bungalows – 2 for rent, contribution for 0.5
- 10% 2 bed bungalows for rent = 2.5 2 bed bungalows – 2 for rent, contribution for 0.5
- 40% 2 bed = 10 2 bed homes (8 for rent and 2 low cost home ownership)
- 10% 3 bed+ = 2.5 3 bed+ - 2 for rent and contribution for 0.5

Financial contribution required for two units (0.5 x 2) alternately two additional bungalows.

APPENDIX 4: SUMMARY PRO-FORMA WORKSHEET

When a developer is preparing evidence to inform a review of affordable housing the Summary Pro-Forma should be based on the following:

Development Revenue	Costs (£)
Actual Market Revenue	
Forecast Market Revenue	
Actual Affordable Revenue	
Forecast Affordable Revenue	
Actual Commercial Revenue	
Forecast Commercial Revenue	
Grant	
Actual and Forecast Other Revenue or Receipts	
TOTAL REVENUES	
Development Costs (split between market housing, affordable housing and commercial)	
Actual Build Costs	
Forecast Build Costs	
Actual Infrastructure, Abnormals and S106 works	
Actual s106 contributions	
Forecast s106 contributions	
Affordable housing transfer fees	
[Incentives]	
Professional Fees	
Finance Costs	
Marketing Fees	
TOTAL COSTS	
Market housing Developer Profit on market housing development costs	
Affordable housing developer profit on affordable housing development costs	
Commercial development developer profit on commercial development costs	
Land cost	
SDLT	
Land agent and Legal fees	
TOTAL COSTS	

For the purposes of the proforma only the following definitions should be used:

- **Actual market revenues:** actual revenues based on land registry data [except shared equity (developer cash income only to be used)]
- **Forecast Market Revenues:** based on the last 6 months of Land Registry evidence to have regard to prevailing property market
- **Actual Affordable Revenues:** actual received affordable sales.
- **Forecast Affordable Revenue:** based on affordable sales from preceding phase
- **Actual Commercial Revenue:** actual achieved sales or appropriate evidence
- **Forecast Commercial Revenue:** based on appropriate evidence or preceding phase
- **Grant:** any additional third party funding for any aspect of the development unless it has been taken into account in order to determine the affordable housing revenue and the market housing revenue or other revenue or receipts
- **Actual and Forecast Other Revenue or Receipts:** any revenues received by the developer other than Affordable Housing Revenue, market revenue, and commercial revenue
- **Actual Build Costs:** build costs incurred or to be incurred, where known, of completed property, completed works, and contract prices of works underway or for which contracts have been let. Includes all contractor costs on open book basis
- **Forecast Build Costs:** for remaining works (not included in Actual Build Costs), excluding S106 costs, in the Remaining Development not under contract on open book basis
[Actual Infrastructure, abnormals and S106 works costs: based on actuals – excluding contingency where spent. Forecasts would contain a contingency on open book basis
[Forecast Infrastructure, abnormals and remaining S106 works: updated estimates with appropriate contingency. Consideration will need to be given where infrastructure works straddle the respective phases to ensure no-double counting or missing of costs].
- **Actual S106 contributions:** based on amount spent, with indexation, and any anticipated remaining S106
- **Forecast S106 Contributions:** based on updated estimates reflecting indexation for remaining scheme
- **Affordable transfer fees:** cost allowance for transferring the affordable housing units to the approved provider at 0.75% of the Affordable Housing Revenue verified by RPs
- **Incentives:** cost to the developer of any independently verifiable incentives that it provides to the buyer of a market unit which are justifiable and usual in the market at the date of the sale of the said market unit applies to forecast only on open book basis
- **Professional Fees:** allowance for costs incurred by the Developer for professional consultancy advice (excluding land) at 7% of building costs
- **Finance Costs:** an allowance for the cost of borrowing incurred by the developer of 6% of Total Revenue
- **Marketing Fees:** the cost allowance for agency and marketing fees incurred by the developer at an agreed % of market housing revenue and Non-Residential Revenue
- **Market Developer Profit:** an allowance of 20% of market housing Revenue
- **Affordable Developer Profit:** an allowance of 6% of Affordable Housing Revenue
- **Commercial Developer Profit:** an allowance of an agreed % of Commercial Revenues
- **Land Cost:** based on actual purchase price. Where only a proportion of the site is acquired upfront, this amount should be adjusted pro-rata for the balance of the scheme based on the number of dwellings per phase, and the land value within the 2nd Phase should be indexed at twice the rate of the Halifax HPI.
- **Stamp Duty Land Tax:** the prevailing stamp duty land tax rate applied to the actual land costs at the date of the purchase of the site or any part thereof or any other land required to perform the obligations containing in this agreement (including any modification, variation, amendment or replacement thereof)
- **Land Agents and Legal Fees:** cost allowance for agents and legal fees at 1.75% of Actual Land Cost

APPENDIX 5: Review Mechanism Formulas and Methodology

For more information on the definitions see Appendix 4.

Formula: Early Review: Identifying surplus profit

The Gross Development Value and actual build costs as agreed for the planning permission will be used. An updated scheme valuation will be required at the time the review is undertaken with actual build costs for the scheme. This will be used to work out the difference in GDV from the time planning permission was granted to the review. Any changes in build costs and an allowance for developer profit will be deducted from the additional scheme value. This will identify whether there is a surplus scheme profit. The remaining surplus scheme profit will be available for additional on-site affordable housing.

$$(A - B) - (C - D) - P = X$$

(A - B) = Difference in GDV from the date of planning permission to the date of review (£)

A = Gross development value at time of review (£)

B = Gross development value as agreed for the planning permission (£)

(C - D) = Difference in actual build costs from the date of planning permission to the date of review (£)

C = Actual build costs at the time of review (£)

D = Actual build costs as agreed for the planning permission (£)

P = (A-B) * Y = Developer profit on difference in Gross development values (£)

Y = Developer profit as agreed for the planning permission (£)

X = Surplus (£)

Formula: Early review: Identifying additional amount of affordable housing to be provided

Calculates the level of additional affordable floorspace based on the difference in average value of the market housing and for each tenure. This will be converted into habitable rooms based on the average habitable room size for the scheme.

$$\text{Additional affordable rent housing requirement (habitable rooms)} = ((E * F) \div (A - B)) \div D$$

(A - B) = Difference in average value of market housing (m²) and average value of low cost rent housing (m²) (£)

(E * F) = Policy surplus to be used for low cost rent housing (£)

(E * F) ÷ (A - B) = Additional affordable rent housing requirement (m²) (£)

A = Average value of market housing per m² (£)

B = Average value of local cost rent housing per m² (£)

D = Average habitable room size for scheme (m²)

E = Surplus profit available for additional affordable housing (as determined in the early review) (£)

F = Percentage of surplus profit available for additional affordable housing to be used for affordable rent housing (%) (as per the preferred tenure split)

$$\text{Additional intermediate housing requirement (habitable rooms)} = ((E * G) \div (A - C)) \div D$$

(A - C) = Difference in average value of market housing (m²) and average value of intermediate housing (m²) (£)

$(E * G) = \text{Policy surplus to be used for intermediate housing (£)}$

$(E * G) \div (A - C) = \text{Additional intermediate housing requirement (m}^2\text{) (£)}$

A = Average value of market housing per m² (£)

C = Average value of intermediate housing per m² (£)

D = Average habitable room size for scheme (m²)

E = Surplus profit available for additional affordable housing (as determined in the early review) (£)

G = Percentage of surplus profit available for additional affordable housing to be used for intermediate housing (%) (as per the preferred tenure split)

Formula: Late Stage Review Contribution

Contributions are based on the difference in the average value of market housing and average intermediate housing value, per habitable room. This is multiplied by the shortfall in the relevant tenure of affordable housing by habitable room in the consented scheme, when compared with the LDP sub-area requirement and preferred tenure split.

$$((A + B) - C) - ((D + E) - F) - P * ? = Z$$

$(A + B) - C$ = change in GDV from the grant of planning permission (or previous review) to the late stage review (£)

A = GDV achieved on sale/ lease of x % of residential units and GDV from other parts of the development sold / let and other income receipts (£)

B = Forecast GDV for parts of the development that are yet to be sold/ let and other income sources (£)

C = GDV agreed at the time planning permission was granted (or previous review) (£)

$(D + E) - F$ = change in actual build costs from the grant of planning permission (or previous review) to the late stage review (£)

D = Actual Build costs incurred at the time of review (£)

E = Forecast build costs for remainder of the development (£)

F = Actual build costs as agreed at the time planning permission was granted (or previous review) (£)

$P = (A + B - C) * Y$ = Developer profit on change in GDV (£)

P = Developer profit on difference in GDV (£)

Y = Developer profit as a percentage of GDV as agreed at the time planning permission was granted (%)

? = Any surplus profit will be agreed on a site-by-site basis. It will deduct the developer profit (P), and will be shared between the LPA and the developer with a % used for additional affordable housing.

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Directorate	Policy Area	Current Policy	Existing Concessions	Policy 20/21
Service Delivery	River Moorings	Charge for moorings (not aligned with any other clubs)	None	Retain Existing Policy
Service Delivery	River Wharfage	Set fees to compete with alternative berthing facilities on the east coast	Quarterly charges discount daily fee by 50%. Discounts available to charitable trusts.	Retain existing Policy
Service Delivery	Off Street Car Parking (Maldon Town)	Maximise Income, no free school drop off permits	Disabled Badge holders - Free parking. Season Ticket discounts for Public Sector Partners and Bulk Purchases	Retain existing Policy
Service Delivery	Off Street Car Parking (Outside Maldon Town)	Free entry	Not Applicable	Retain existing Policy
Service Delivery	Car Parking/Events	Suspend car parking and introduce a set fee for specific events. Charges will be dependent on the event size and entrance fee. To be determined by the Director of Service Delivery.	None	Retain existing Policy
Service Delivery				
Service Delivery	Maldon Promenade - Car Parking	Aim for overall 60% cost recovery for Promenade Park - with Car Parking being the key contributor	Maldon District Residents Season Tickets at reduced price. Disabled Badge Holders	Retain existing Policy
Service Delivery	Maldon Promenade - Splash Park	Charge for the use of the splash park to offset costs of operating the facility	None	Retain existing Policy

Directorate	Policy Area	Current Policy	Existing Concessions	Policy 20/21
Service Delivery	Use of Council Land for events	All Council Land. Use of a minimum events day rate charge on council owned land determined by the scale of event size to maximise income for all events.	Charity Organisations with under 100 people in attendance receive a concession ensuring full cost recovery.	Retain existing Policy
Service Delivery	Council owned Land (Inc. Prom)	Charges to be for all council owned land as well as Prom Park to maximise income	Prices to be agreed by the Director of Service Delivery in Conjunction with the Chairman of Strategy and Resources Committee.	Retain existing Policy
Service Delivery	Maldon Promenade - Beach Huts	Charge for hire of Beach Huts. Charges based on market rates.	None	Retain existing policy
Service Delivery	Cemeteries	Charges at levels comparable to facilities provided by other local authorities	Local Residents receive discounted rates. Under 18's Free	Retain existing policy
Service Delivery	Green Waste Bin Service	Charge for Service	Direct Debit and Web Payments receive a £5 per annum discount. Charges in line with other authorities. Charge for Bin for new subscribers	Retain existing policy
Service Delivery	Chargeable Household Waste Collection	Charges made for residential homes, with limited collections from villages halls equivalent to domestic property. Charges based on cost recovery for additional collections	Free Clinical waste collection	Retain existing policy.
Service Delivery	Chargeable Bulky Household Waste Collection	Charge subject to annual adjustment to reflect contract costs. Fee is collected by Maldon District Council (MDC) and an agreed sum paid to the contractor for each collection	None	Retain existing policy
Service Delivery	Chargeable Street Cleaning	Charges set by negotiation with Officers	Charitable events and some specific commercial events are free	Retain existing policy
Service Delivery	Maldon Promenade - Pop Up Trading	Charge for the hire of trading stalls to commercial partners on a daily basis	None	Retain existing policy

Directorate	Policy Area	Current Policy	Existing Concessions	Policy 20/21
Service Delivery	Parks & Open Spaces - Advertising	Charge for advertising on Council owned assets. Charges based on market rates	None	Retain existing policy
Service Delivery	Court Costs - Council Tax and Business Rates	Charges set to maximum level agreed by Essex Magistrates Courts	None	Retain existing policy
Service Delivery	CCTV footage requested by individuals, insurance companies or any organisations other than the Police (subject to data protection)	Chargeable services	None	Retain existing policy
Service Delivery	Refuse and recycling containers for new build properties	Developers to fund the cost of provision of containers for new properties if the development is more than five properties.	None	Retain existing policy
Service Delivery	Parking Permits for Schools	Chargeable Services	Charges made to Schools for parking in MDC owned car parks	Retain existing policy
Service Delivery	Road Closures	To reclaim costs plus statutory administration charge.	None	Retain existing policy
Service Delivery	Promenade Park Concessions	To Charge for concessions on the Prom. Prices set on negotiation with the Director of Service Delivery.	None	Retain existing policy
Service Delivery	Grounds Maintenance Contracts	Charges for contracts based on competitive market rates ensuring full cost recovery.	None	Retain existing policy
Service Delivery	Commercial team – Commercial Services - Box Office	Box office services commission rate set by officers – Standard 10% commission for all events. Concession Director of Service Delivery in conjunction with the Chairman of Strategy and Resources Committee be granted discretion to vary this rate to support the corporate goals of the Council.	None	Retain existing policy
Service Delivery	Commercial team – Commercial Services - Marketing	Commercial team to charge a competitive hourly rate for its marketing and promotional services ensuring full cost recovery	None	Retain existing policy

Directorate	Policy Area	Current Policy	Existing Concessions	Policy 20/21
Service Delivery	Commercial team – Commercial Services - Sponsorship	Commercial Team to seek funding and sponsorship from partners and other organisations for which the Team provides a service, such as transport providers - Charges set by negotiation with the Director of Service Delivery and in-line with agreed criteria.	None	Retain existing policy
Strategy, Performance and Governance (SPG)	Land Charges	Self Financing Service subject to regulations	None	Retain existing policy
SPG	Public Hire Vehicle & Hackney Carriage Licensing	Self financing service	None	Retain existing policy
SPG	Building Control - Chargeable Services	Self financing service (by regulation) Break even over a five year period	None	Retain existing policy
SPG	Development Control and Conservation - Pre Application Advice	Charge for advice	Not Applicable	Retain existing policy
SPG	Development Control - Planning Performance Agreements (PPA)	Charge based on generic officer cost rates to complete the tasks in the PPA.	Not Applicable	Retain existing policy
SPG	Planning Fees (Development control fees)	No Policy - no powers at present	Not Applicable	Retain existing policy
SPG	Licensing Act 2003	Set fees in line with the costs incurred in providing the service	None	Retain existing policy
SPG	Gambling Act 2005	Set fees in line with the costs incurred in providing the service	None	Retain existing policy
SPG	Scrap Metal Dealers Act 2013	Recover reasonable costs of administration in accordance with statutory guidance	None	Retain existing policy
SPG	Pest Control	Set charges to be competitive with other service providers	None	Retain existing policy
SPG	Animal Licensing	Set fees in line with the costs incurred in providing the service	None	Retain existing policy
SPG	Mobile Homes Act 2013	Set fees in line with the costs incurred in providing the service	Exempt those sites that have 8 or less units (Band 1)	Retain existing policy
SPG	Pre Application for Tree Preservation Order advise	Charge for advice previous a free service. Charge to be based full recovery of Officer time	Not Applicable	Retain existing policy
SPG	Street Naming and numbering	Charges to developers and property owners based on cost recovery	Not Applicable	Retain existing policy

Directorate	Policy Area	Current Policy	Existing Concessions	Policy 20/21
SPG	Revisit to rescore food hygiene ratings	Set fees in line with the costs incurred in providing the service. New legislation is expected but it is not clear if fees will be set nationally or locally	Not Applicable	Retain existing policy
Resources	Credit Card Admin Fees	None	TIC operations (Discretionary)	REMOVE
Resources	External Printing	To be charged per copy.	Not Applicable	Retain existing policy
Resources	Administration of Parish Elections & Neighbourhood Referendums	Levy an administration charge based on recovery of Officer time	Not Applicable	Retain existing policy

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Budget Growth 2020/21

Service Team	Title of the proposal	Full Description of the proposal	2020/21 £	2021/22 £	2022/23 £	Ongoing/One Off	Staffing implications Full Time Equivalent (FTE) (-)	Corporate outcome	Linked to Capital project / revenue savings?	Justification for Proposal Why is the growth required? Can it be funded externally by external grant or other partner organisations?
Service Delivery	Community Protection New Summer Ranger	New part time community Ranger to cover additional hours requested by parishes. Bid linked to additional income from Parish Councils. Growth bid will be cost neutral.	15,000			ongoing	1.00	Community	No	Additional hours for Community engagement by parishes requires additional resources to be added to the team.
Strategy, Performance and Governance (SPG)	Programmes, performance and governance	New post to support overview and scrutiny committee role and plan project of delivery- 10 hours per week	13,000			ongoing	0.27	performance and efficiency	No	post to support overview and scrutiny committee role and plan project of delivery- 10 hours per week
SPG	New Apprentice role within PPG	New apprentice role within the Programme performance and governance area	9,000			ongoing	1.00	performance and efficiency	No	Post will allow an apprentice to work alongside and learn from the process improvement fixed term posts, likely retaining this knowledge more long term in the organisation
Resources	ICT - HSM Module - Access pay	Cached credentials for quick access to Audis Files.	1,100			ongoing	0	performance and efficiency	No	This allows for office processing time saving, instead of a daily task costing the council this becomes automatic.
Resources	ICT - Dell Server maintenance renewal	Renewal of the server maintenance for our dell power edge servers	1,100			ongoing	0	performance and efficiency	No	This is the renewal of our Dell Server maintenance and support, all servers are required to be covered in a maintenance agreement following the Disaster Recovery Planning and Audit run in October, this is a new requirement going forward.
Resources	ICT - Office 365 Licensing	Licencing for office 365 platform	19,000			ongoing	0	performance and efficiency	No	This is a critical licence requirement following the transformation project for all licences for all office software. Without these licences we cant function as a council
Resources	ICT Training	Course training for ICT Specialist staff for new systems on site.	20,000			ongoing	0	performance and efficiency	No	Training is required on the new systems implemented at the council including the new firewalls
Service Delivery	Suez - Uplift of minimum Wage	As specified in the contract this payment is required to satisfy the change in law and introduction of the Living Wage as defined and introduced by the National Minimum Wage (Amendment) Regulations 2016	53,000	33,000	34,000	Ongoing until 2024 when the government is committed to raising the NMW to £10.50 per hour	0	Place	No	"Change in Law" means a material change in Applicable Laws on or after the Effective Date which results in a requirement for some form of amendment to the Bill of Quantities or the provision of Services of this Contract including without limitation the introduction of the Living Wage. Figures estimated
Service Delivery	Street Cleansing contract Uplift	Increase contract cost following the extension of the Street Cleansing Contract for a further 4 years. Contractor will require new vehicle for additional contract work.	17,500			Ongoing	0	Place	No	Subject to RPIX 21/22 onwards

Service Team	Title of the proposal	Full Description of the proposal	2020/21 £	2021/22 £	2022/23 £	Ongoing/One Off	Staffing implications Full Time Equivalent (FTE) (-)	Corporate outcome	Linked to Capital project / revenue savings?	Justification for Proposal Why is the growth required? Can it be funded externally by external grant or other partner organisations?
Service Delivery	Clinical Waste	The number of residents using this service has risen from 37 using the kerbside collection to 330 since April 2019.	3,000			Ongoing	0	Place	No	Residents signposted to Council following NHS decision not to accept Sharps Boxes at their Doctors Surgeries. 3.1The Controlled Waste (England and Wales) Regulations 2012 (CWR2012) state under Schedule 1, S3 No.12 that, 'Clinical waste and offensive waste produced at domestic property, a residential home, a caravan or a vehicle or vessel used wholly for the purposes of living accommodation is to be treated as household waste.
Resources	Council Offices	Council office maintenance	3000			Ongoing	0	Performance & Efficiency	No	On going maintenance to building. Gutters are now full and not collection water like they should. New flagpole required
Service Delivery	Special events	The Nation will mark the 75th Anniversary of the end of the Second World War in May 2020. The Spring Bank holiday has been moved to Friday to create a weekend of celebration thanks to all who served at home and abroad. The Council will join this national celebration and host an event in Maldon. The final content is being worked upon but activities are planned over the three days including local history, a party in the park, outside cinema, living history/period historic vehicles etc. Local church organisations will be encouraged to participate on the final day (Sunday). This funding will under write costs of exhibits and infrastructure but officers will activity seek sponsorship opportunities.	4000			One-off	0	Performance & Efficiency	No	The Nation will mark the 75th Anniversary of the end of the Second World War in May 2020. The Spring Bank holiday has been moved to Friday to create a weekend of celebration thanks to all who served at home and abroad.
Prom Park	Model Boating Lake	No income from Model Boating lake	1,700			Recurring	0	Place	No	No income received in 19/20 so budget needs to be removed to reflect this.
Animal Warden	Collection of Stray Dogs	Drop in collection of Stray Dogs	1,200			Recurring	0	Place	No	No income received in 19/20 so budget needs to be removed to reflect this.
Env Waste	Business Rates	Cost of Business Rates for the Southminster Toilets	1,500			Recurring	0	Place	No	Southminster toilets open and rates due from MDC

163,100

Efficiency Savings/Income Generation 2020/21

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Ref	Directorate	Service Team	Title of the proposal	Full Description of the proposal	2020/21 £	Linked to Capital project or Revenue Growth?	Service Implications Will the acceptance of the proposal lead to a reduction in the effectiveness of front line services or statutory duties? If so, please describe the impacts. Please also state what mitigation plans can be put in place to lessen the impact to the service.	Acceptability by Members RAG rating: Green = Deliverable and likely to be accepted by members Amber - "maybe" and there is no severe impact on frontline services Red - Difficult to achieve and likely to have severe impact on frontline services	Acceptability by Members RAG rating: Green = Deliverable and likely to be accepted by members Amber - "maybe" and there is no severe impact on frontline services Red - Difficult to achieve and likely to have severe impact on frontline services
	Service Delivery	Community Protection	Summer Ranger	New part time community Ranger to cover additional hours requested by parishes. Bid linked to additional income	(15,000)	YES	No however there is a risk that the income may not cover the full cost of the Summer Ranger. Cost of redundancy in the event of termination or reduction of the service by the Parishes may be borne by the Council.	Note the risk of financial loss to the Council in the event Parishes discontinue or reduce the service.	Additional hours for Community engagement by parishes requires additional resources to be added to the team.
	Service Delivery	Riverside Park	Concessions	Additional income from Concessions	(2,500)	No	No		Increase income received in 19/20 so budget needs to be increased to reflect additional income
	Service Delivery	Cemeteries	Burial Fees	2% Increase in cemetery charges	(2,000)	No	No		Additional income from the increase of 2% of fees
	Service Delivery	Cemeteries	Memorialisation	Increase in number of memorials	(700)	No	No		Additional income from requests of memorialisation
	Service Delivery	Special Events	Smoke & Fire additional income Year 2	New deal for the smoke and fire festival	(6,000)	No	No		New deal for the smoke and fire festival
	Service Delivery	Special Events	Maldon Car Show	Additional income, car park income and exhibitors mean increase in the expected income budgets	(3,500)	No	No		Additional income, car park income and exhibitors mean increase in the expected income budgets
	Service Delivery	Special Events	Fantasia	New event on the Prom in 2020/21	(10,000)	No	No		New event on the Prom in 2020/21
				TOTAL	(39,700)				
Separate income proposals generated from transformation									
	Service Delivery	Prom Park	Concessions	Additional income from Concessions	(45,000)	No	No		Increase income received in 19/20 so budget needs to be increased to reflect additional income
	Service Delivery	Car Parking	Parking charges	Increase in parking charges at all council sites	(90,000)	No	No Risk of Council not agreeing to the increase.	Risk of Council not agreeing to the increase.	Increase in parking charges at all council sites
	Service Delivery	Waste Services	Garden Waste service	Additional income raised from the change in policy	(48,000)	No	No		Additional income raised from the change in policy
	Resources	Council Offices	Office rental	Narrow Corridor' to be set as Enterprise Centre	(12,000)	No	No		Narrow Corridor' to be set as Enterprise Centre
			TOTAL		(195,000)				
			GRAND TOTAL		(234,700)				

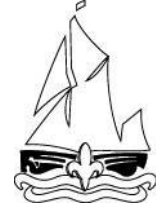
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Repairs & Renewals Bids for 2020/21

Ref	Project Category	Project Title & Description	Original
			2020/21
			£
	E	Burnham Cemetery reception refurbishment	6,000
	E	Resurface entrance road and relining of Car Park at MDC Offices	13,000
	E	Car Park fencing repair / replacement at MDC Offices	3,000
	SF	Prom Park Beach hut flooring and access path	1,100
	E	Repairs and Lining to doctors lane car park Burnham on Crouch	3,000
		Total	26,100

Essential E
 Service Failure SF
 Service Improvement SI

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REPORT of DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE

**to
COUNCIL
19 DECEMBER 2019**

RIVER CROUCH COASTAL COMMUNITY TEAM - CHANGE TO TERMS OF REFERENCE AND REPRESENTATIVES

1. PURPOSE OF THE REPORT

- 1.1 To update Members on the change to the Terms of Reference for the River Crouch Coastal Community Team (RCCCT) since its transfer to Rochford District Council in July 2019 as the Secretariat and Accountable Body.
- 1.2 For Members to appoint a single representative to the RCCCT.

2. RECOMMENDATIONS

- (i) That the updated Terms of Reference for the River Crouch Coastal Community Team (RCCCT) (**APPENDIX 1**) be agreed;
- (ii) That the Council's representative on the RCCCT be amended and one Member appointed.

3. SUMMARY OF KEY ISSUES

- 3.1 The RCCCT was set up in June 2015 as a result of a successful funding bid by Maldon District Council (MDC) in partnership with Rochford District Council (RDC), MDC acting as the Secretariat and Accountable Body. The RCCCT delivered a number of projects pursuant to that funding bid to improve the local economy of the River Crouch area.
- 3.2 In June 2019 MDC resigned its role as Accountable Body and Secretariat.
- 3.3 On 16 July 2019, RDC agreed to take on both roles in order that the RCCCT could continue.
- 3.4 On 11 September 2019, a meeting of the management group agreed that the Terms of Reference (TOR) should be refreshed. The Strategic Theme Lead – Prosperity, Jack Ellum, attended this meeting and provided input to ensure the new RCCCT TOR (**APPENDIX 1**) were in line with MDC's strategic objectives and that they would remain a valuable strategic partner for the Council.

- 3.5 Maldon District Council are now invited to provide one elected Councillor (with voting rights) and one Economic Development Officer (no voting rights) to the Team's Steering Group.
- 3.6 The next meeting of the RCCCT will agree the updated Terms of Reference on Wednesday, 20 November 2019 at 10:00 in Council Chamber, Civic Suite, 2 Hockley Road, Rayleigh,

4. CONCLUSION

- 4.1 The updated aims and objectives of the RCCCT are in line with MDC's strategic objectives and the purpose of Coastal Community Teams and the Terms of Reference should be supported.
- 4.2 The composition and membership of the CCT facilitates an appropriate balance on the Team and Members should appoint an appropriate representative (and substitute) to attend future meetings.
- 4.3 Members may also wish to express interest in being part of the wider RCCCT for the consideration of the RCCCT Chairman.

5. IMPACT ON CORPORATE GOALS

- 5.1 The updated aims and objectives of the CCT are in line with MDC's strategic objectives and the RCCCT remains a valuable strategic partner.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers:

Terms of Reference - The River Crouch Coastal Community Team -November 2019.

Enquiries to: Jack Ellum, Strategic Theme Lead – Prosperity.

Terms of Reference
The River Crouch Coastal Community Team
November 2019

Background

1. The River Crouch Coastal Community Team (RCCCT) was set up in June 2015 as a result of a successful funding bid by Maldon District Council (MDC) in partnership with Rochford District Council (RDC) to Government's Coastal Community Team Fund. With MDC as the body accountable to Government for the use of the monies, the RCCCT delivered a number of projects pursuant to that funding bid to improve the local economy of the River Crouch area and was supported by MDC providing a secretariat function.
2. In June 2019 MDC resigned its role as accountable body and secretariat and on 16th July 2019, RDC agreed to take on both roles in order that the RCCCT could continue. The residue of the funding monies is held by RDC for the purposes of the RCCCT.
3. On 11th September 2019, a meeting of the management group agreed that the Terms of Reference previously agreed by RCCCT (September 2015) should be refreshed.

Aims and objectives

4. The focus of the RCCCT centres around three key aims for rural and coastal communities along the River Crouch:
 - Improvement of business diversity and economic growth, including infrastructure, employment and skills;
 - Creation of sustainable communities and place shaping, including heritage and green tourism; and
 - Protection and conservation of the coastal and river environment – including addressing the effects of coastal climate change.
5. The objectives of the RCCCT are as follows:
 - To be a consultative stakeholder body for local and national issues relating to the RCCCT's key aims;
 - To identify and apply for funding sources intended to achieve tangible, evidence-based outcomes which support those aims; and
 - To facilitate projects which will deliver those outcomes.

Composition of RCCCT

6. The RCCCT will comprise representatives of the public sector, private sector and community and voluntary sectors ensuring that membership represents a broad range of interest across the geographical area.
7. The RCCCT shall have an open membership and any interested party may attend with the consent of the Chairperson, including but not limited to those listed in Appendix 1.
8. The RCCCT will be led by a Steering Group, the membership of which is agreed by the RCCCT and reviewed annually. The Steering Group is accountable to and reports back to the wider RCCCT. The Steering Group will lead the RCCCT's activities to achieve the aims and objectives of the RCCCT.
9. Projects identified by the Steering Group will be undertaken by specially convened Task and Finish Groups, which will report to the Steering Group and operate under terms of reference agreed by the Steering Group.
10. The Steering Group shall have a fixed membership, as set out below.

Membership of the Steering Group

11. The Steering Group shall comprise of one (1) representative of each of the following (unless otherwise indicated):
12. The Chairperson may invite other representatives from the wider RCCCT where the agenda items are relevant to those representatives. Such representatives shall not be entitled to vote.
13. Members of the wider RCCCT may attend as observers with the permission of the Chairperson.

Role/sector	Representative	Voting rights
Chairperson	Elected councillor from RDC (named individual to be appointed by the RCCCT)	Yes (plus casting vote)
Vice Chairperson	The business or maritime community (named individual to be appointed by the RCCCT)	Yes (plus casting vote when acting as chair)
Accountable body	Elected councillor RDC	Yes
	Economic development officer RDC	No

Role/sector	Representative	Voting rights
Public sector	Elected councillor from MDC	Yes
	Economic development officer MDC	No
	Economic development officer Chelmsford City Council	No
	Elected councillor Hullbridge Parish Council	Yes
	Elected councillor Canewdon Parish Council	Yes
	Elected councillor Paglesham Parish Council	Yes
	Elected councillor Burnham Town Council	Yes
	Elected councillor South Woodham Ferrers Town Council	Yes
Maritime sector	Crouch Harbour Authority	Yes
	Representative from the sailing community	Yes
	Natural England	No
	Environment Agency	No
The business community	Up to [5] representatives to be appointed	

Meeting frequency

14. The RCCCT shall meet annually unless the Chairperson calls a special meeting (on no less than 14 days prior written notice).
15. The Steering Group shall meet quarterly unless the Chairperson calls a special meeting (on no less than 14 days prior written notice).
16. Meetings will be diarised on a rolling annual basis.

Decision making

17. Decisions of the RCCCT and the Steering Group will be made by a majority of those present by a show of hands. The Chairperson (or the Vice Chairperson in their absence) has a casting vote.
18. Meetings of the RCCCT will be quorate if [one-third] of members is present.
19. Meetings of the Steering Group will be quorate if [one-third] of members is present.

Conflicts of interest

20. RCCCT and Steering Group members have a duty to be aware for the potential for there to be a conflict of interest (actual or perceived) in the work which they

undertake in their private or professional lives and the work undertaken by the RCCCT and the Steering Group.

21. Any member who is involved in or has an interest in any project, issue or matter discussed at any meeting shall disclose their interest (wherever possible at the commencement of the meeting) and will not participate in any discussion or action relating to the project, issue or matter.
22. All members and in particular elected councillors should have regard to any disclosure requirements of their respective organisations.

Secretariat

23. The administrative arrangements for RCCCT will be undertaken by RDC. Agendas and papers for meetings will be circulated seven (7) days before each meeting (where practicable). Minutes will be taken and decisions recorded.
24. Any member wishing to table items for an agenda must notify the secretariat no later than seven (7) days before each meeting unless the Chairperson in their absolute discretion agrees otherwise.

Variations to Terms of Reference

25. These Terms of Reference may be reviewed and amended by the RCCCT annually.

Appendix 1

- Ashingdon Parish Council
- Baltic Wharf
- Bradwell Legacy Partnership
- Burnham on Crouch Town Council
- Burnham Chamber of Commerce
- Canewdon Parish Council
- Chelmsford City Council
- Crouch Harbour Authority
- Environment Agency
- Essex County Council
- Essex Marina
- Hullbridge Parish Council
- MDC
- Natural England
- North Fambridge Parish Council
- Paglesham Parish Council
- RDC
- RSPB
- Rawreth Parish Council
- Rochford Chamber of Trade
- Rochford and Rayleigh Association of Voluntary Services
- Rural Community Council for Essex
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REPORT of DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE

**to
COUNCIL
19 DECEMBER 2019**

BRADWELL B PLANNING POLICY POSITION STATEMENT

1. PURPOSE OF THE REPORT

- 1.1 To provide a Planning position statement on behalf of the Council in relation to any new development relating to the Bradwell B (BrB) project.

2. RECOMMENDATION

That a workshop to be provided for all Members which will include an update on the BrB project and to seek some direction in the production of any new planning policies relating to BrB.

3. SUMMARY OF KEY ISSUES

3.1 Bradwell B (BrB)

- 3.1.1 In 2010 the Government announced that Bradwell was one of eight sites it considered suitable for the siting of a new nuclear power station. Currently CGN and EDF are partnering in the development of the station.
- 3.1.2 The development of a new nuclear power station falls within the scope of the '*Nationally Significant Infrastructure Projects*' (NSIPs). In these instances, the developer applies directly to the Secretary of State for a Development Consent Order (DCO) rather than to the Local Planning Authority for planning permission. Maldon District Council will be a consultee as part of the DCO process. BrB have indicated that the application for the DCO will be submitted in 2022. However, there is a significant consultation and engagement process leading up to the submission of the application.
- 3.1.3 It should be noted that the DCO process will allow for ancillary works to be submitted alongside the new power station. This is likely to include road improvements and accommodation on site during the construction process.
- 3.1.4 Whilst Maldon District Council will not be the determining authority for the actual power station it is envisaged that a number of planning applications will be forthcoming over the next few years. These applications will be split into two categories, either in associated with the power station (e.g. investigatory ground works, temporary siting of plant equipment and housing workers during the

contraction process) or linked to the proposal by third parties (e.g. new permanent housing and new employment land opportunities).

3.2 Maldon District Council Planning Policy Position

3.2.1 Both planning law and Government guidance is clear that planning applications must be determined in accordance with the Development Plan unless material considerations indicate otherwise.

3.2.2 Maldon District Council's Local Development Plan (LDP) was adopted in July 2017 and is considered to be up to date and should be the first consideration when determining any planning applications at the time. The Local Plan is supported by a number of Supplementary Planning Documents on matters such as Parking Standards, Affordable Housing and Viability, Specialist Needs Housing and Design Guide.

3.2.3 Maldon District Council's Local Plan only makes reference to BrB in Policy D4; where it states:

"The Council will strongly support the principle of the development of a new nuclear power station at Bradwell-on-Sea."

3.2.4 The Plan DID NOT take into consideration the wider impact of BrB but paragraph 3.43 states:

"Given the uncertainty of the project, the possibility and impacts of a new nuclear power station in the District will not be considered further at this stage. The situation will be monitored by the Council, and if required local planning policy may be reviewed to consider any future power station proposals."

3.3 Future Planning Applications

3.3.1 As stated above it is considered that the planning applications received in the near future will fall in to two categories; either they will directly relate to the provision of the new nuclear power station, or they will be applications that are trying to facilitate some form of development on the back of the new station. All planning applications received will be determined against the adopted Local Plan and take in to account any relevant material considerations.

3.3.2 It is considered that the Council LDP, Policy D4, supports the principle of granting planning permission for developments that facilitate the delivery of the new station. However, particularly as at this time the development will most likely be temporary in nature, it is essential to ensure that any long-term harm, impacts on ecology or the wider community are mitigated and kept to a minimum.

3.3.3 As explained earlier the process of delivering a new nuclear power station is very much in its infancy. Alongside the DCO process the developer will also be a need to obtain a number of other consents and permissions including a Nuclear Site license and various environment permits. It is important to note that, due to the process being at its infancy and a large number of reports still needing to be generated, at this time there is no definitive position that a new power station will be delivered in Bradwell.

- 3.3.4 The LDP currently does not take in to account any growth, e.g. housing, employment or leisure demand, from the delivery of BrB; this includes both during construction and also once the station is active.
- 3.3.5 Policies S1 and S2, Policy S8 of the approved Maldon District Local Development Plan seek to support sustainable developments within the defined settlement boundaries. This is to ensure that the countryside will be protected for its landscape, natural resources and ecological value as well as its intrinsic character and beauty. It is clearly stated that outside of the defined settlement boundaries, Garden Suburbs and Strategic Allocations, planning permission for development will only be granted where the intrinsic character and beauty of the countryside is not adversely impacted upon.
- 3.3.6 Policy S8 makes exceptions for developments that are to be located outside the settlement boundaries, including those relating to employment generating proposal in accordance with policy E1. This is only allowed though, when it can be demonstrated that the development would not adversely impact upon the countryside. However, it does not support the provision of market housing.
- 3.3.7 Support of sustainable economic growth to create jobs and prosperity is one of the core principles of the National Planning Policy Framework (NPPF). One of the requirements of the NPPF is to ensure that local policies set criteria or identify strategic sites, for local and inward investment to match the development strategy and to meet anticipated needs over the plan period. It is noted that the approved LDP has set the need of the District and strategic sites for Employment Uses have been identified.
- 3.3.8 Policy E1 of the approved LDP states that *“The Council will encourage employment generating developments and investment in the District to support the long-term growth vision outlined in the Council’s Economic Prosperity Strategy (EPS)”*. It further continues stating that *“This will be achieved through the regeneration, modernisation and expansion of existing employment sites, and through the provision for new employment sites at the strategic allocations and South Maldon Garden Suburbs and other high quality and sustainable locations, including town centres, education and health facilities and with regard to other policies in this Plan”*.
- 3.3.9 Policy E1 also states that *‘new proposals for employment uses will generally be directed to the designated employment areas prior to considering other sites within the District’*. The LDP identifies a need for 11.4ha of employment land over the plan period; however, this need is addressed in full within the allocated sites. In that respect it is noted that a total of 7.9ha benefit from planning permission and are still undeveloped and also another 2.3ha remain without consent. As a result, there is a total of 10.2ha of designated employment land that remains undeveloped.
- 3.3.10 It is likely that any opportunistic application sites, for substantial levels of housing or new employment generating opportunities, would be outside the boundaries of the existing or allocated employment land areas and therefore, would be contrary to the Council’s adopted policies.
- 3.3.11 The delivery of a new power station, within the existing policy framework, would be a material consideration of great weight. However, taking in to account how early the

process is, it is considered that any proposals in relation to the power station would be premature in nature and therefore would be unlikely to be supported by the Council.

3.4 **Going Forward**

- 3.4.1 It is considered likely, if the Council does not want to be planning by appeal, that there will need to be a review of the Council's policy position. This could either be in the form of a new Development Plan Document that will be aimed at solely dealing with any additional development / planning applications caused by the new power station or undertaking a full review of the Local Plan.
- 3.5 It is considered appropriate for a workshop to be facilitated for all Members which will feed in to the Council direction of travel in relation to the production of any new policies relating to BrB. The workshop should also include an update on the BrB project to provide some context for the future direction.

4. **CONCLUSION**

- 4.1 At this time, it is considered that the Council is in a strong position to resist adversarial planning applications which, are not in accordance with the Development Plan and, aim to take advantage of the future power station due to these would be considered premature. However, there will be a need in the future to provide a more robust, evidence based, policy position in relation to BrB associated planning applications. To facilitate this it is considered appropriate to have a workshop for Members to gain some guidance in relation to the Council direction of travel for the production of new planning policies to deal with planning applications in the future.

5. **IMPACT ON STRATEGIC THEMES**

- 5.1 The determination of planning applications appropriately will have a positive impact on the corporate goals of which underpin the Council's vision for the District, in particular Sustainable growth and new infrastructure and Protected and improved environment for residents and visitors.

6. **IMPLICATIONS**

- (i) **Impact on Customers** – There is a need to ensure the effective delivery of the service to customers in the immediate and longer term.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – Potential cost of defending planning appeals for adversarial developments and the production of new planning policies.
- (v) **Impact on Resources (human)** – To continue to be identified through the management of the service.

- (vi) **Impact on the Environment** – Failure to have an effective planning policy position could result in an adverse impact on the environment resulting in long term harm which might be difficult to mitigate.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to: Matt Leigh, Lead Specialist – Place.

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REPORT of DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE

**to
COUNCIL
19 DECEMBER 2019**

COUNCIL GOVERNANCE IN RELATION TO BRADWELL B

1. PURPOSE OF THE REPORT

- 1.1 To seek the Council's endorsement of proposals for the governance of Maldon District Council decision making in relation to the proposed Bradwell B Nuclear Power Station.

2. RECOMMENDATION

That the Council endorses the governance arrangements as outlined in this report for decisions regarding Bradwell B and its associated development.

3. SUMMARY OF KEY ISSUES

3.1 Background

- 3.1.1 In 2010 the Government announced that Bradwell was one of eight sites it considered suitable for the siting of a new nuclear power station. Currently CGN and EDF are partnering in the development of the station and have formed a jointly owned company, Bradwell B Power Generation Company Limited (BRB)
- 3.1.2 The development of a new nuclear power station falls within the scope of the 'Nationally Significant Infrastructure Projects' (NSIPs), as set out in the Planning Act 2008. In these instances, the developer applies directly to the Secretary of State for a Development Consent Order (DCO) rather than to the Local Planning Authority for planning permission. Maldon District Council will be a consultee as part of the DCO process. BrB has indicated that the application for the DCO will be submitted in 2022. However, there is a significant consultation and engagement process leading up to the submission of the application.

3.2 Role of Maldon District Council in the DCO Process

- 3.2.1 Whilst Maldon District Council will not be the determining authority for the actual power station application, host local authorities have an important role in the NSIP, DCO process. Participation is not obligatory but is strongly advised by the Planning Inspectorate. Whilst it is appreciated that local authority resources are limited, relevant authorities are strongly encouraged to discuss and work through the issues raised by NSIP proposals. A local authority will provide an important local

perspective at the pre-application stage, in addition to the views expressed directly to the developer by local residents, groups and businesses. Local authorities are likely to become responsible for discharging many of the requirements (akin to planning conditions) associated with an NSIP in their area if development consent is granted. Local authorities are also likely to have a role in monitoring and enforcing many of the Development Consent Order (DCO) provisions and requirements.

The role of local authorities

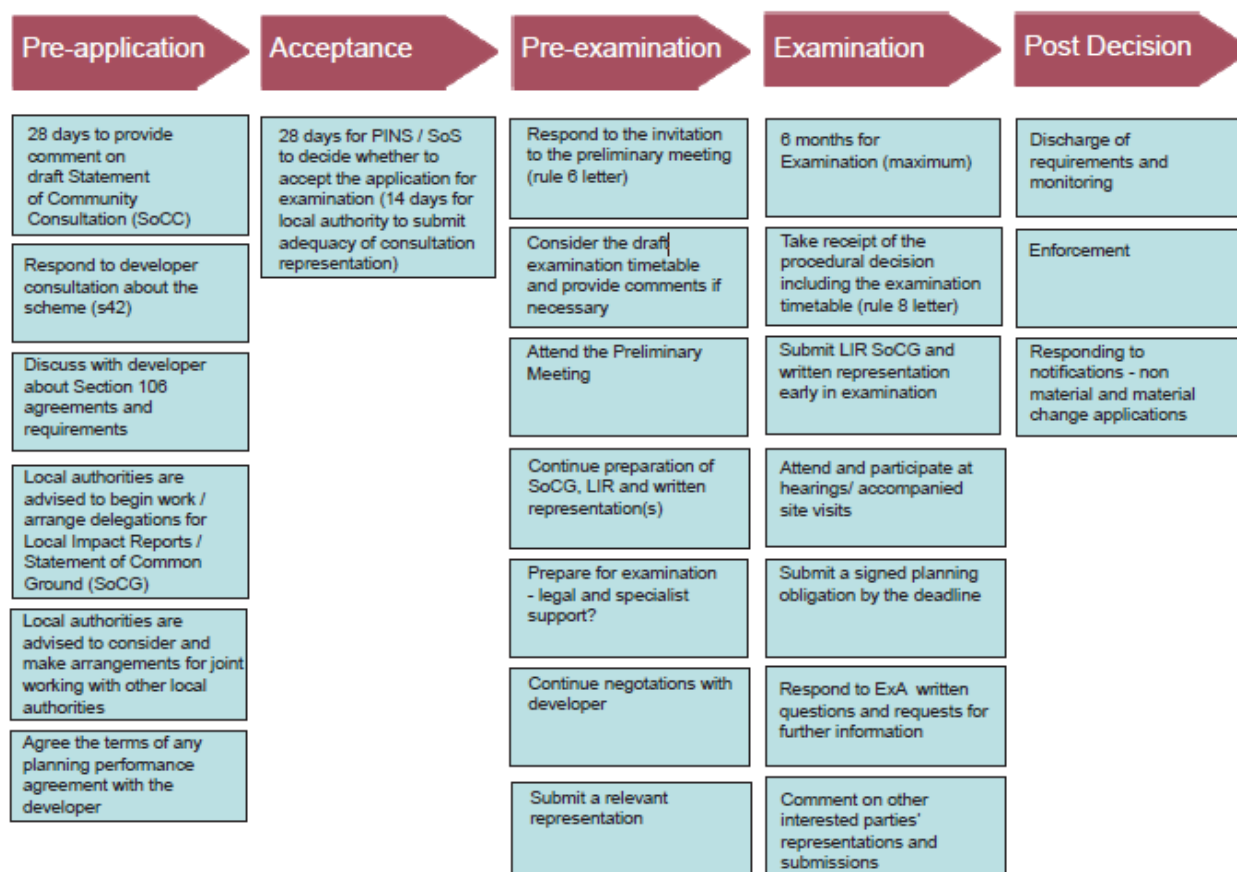


Figure 1: The Local Authority Role in the DCO Process (Source: HM Planning Inspectorate)

- 3.2.2 Figure 1, above, sets out the role of the Local Planning Authority in the DCO process. To engage fully will require both significant Council resource, and a clear decision-making governance framework to enable the authority to respond promptly to various parts of the consultation, as set out above.
- 3.2.3 Maldon District Council has sufficient clarity around its governance arrangements to support this decision-making process, but it is useful to set out clearly how the governance will work in relation to this project.
- 3.2.4 The Council will be required to make a range of decisions as part of the DCO process, beginning with the approval of the Statement of Community Consultation. The consultation period for such decisions will normally be 28 days. This may be challenging for the Council in terms of timescales for submission of reports to various Committees and the Council. This can be mitigated through the early sharing of information on the development programme by BrB and the Council is working

closely with BrB to facilitate this. However, there will also need to be clarity around which decision-making route the Council is using to make decisions in relation to various stages of the DCO process. For example, the Statement of Community Consultation could be approved under delegated responsibilities by the relevant Director, as it relates to how the consultation is undertaken and can be compared to the Councils Consultation Guidance at a technical level. However, it may be preferred by the Council that decisions such as these are subject to Council or Strategy and Resources Committee approval where possible.

- 3.2.5 The Council has also established a BRB Working Group to support the Council in its learning and decision making in relation to the proposed Power Station. Although non-decision-making, it will have a role in advising the Council. The Council is also a Member and Chair of the Joint Member Bradwell Board (JMBB) which is a forum for Maldon District Council and Essex County Council to discuss and co-ordinate their responses to the DCO process.
- 3.2.6 To give clarity to the decision-making process the table below has been set out to show the decision-making routes:

Body	Decision Making	Advisory to Council or Committee	Type of Decision	Maldon District Council (MDC) Membership
Council	Y		Any	All MDC Councillors
Director	Y	Y	As per existing Scheme of Delegation	Not applicable
Joint Member Bradwell Board (JMBB)	N	Y	None	Leader of the Council, Deputy Leader of the Council, Chairman and Vice-Chairman of the Strategy and Resources Committee
Bradwell B Working Group	N	Y	None	Leader of the Council, Deputy Leader of the Council, Chairman and vice-Chairman of the Strategy & Resources Committee, Councillor E L Bamford, Councillor R P F Dewick, Councillor M F L Durham CC and Councillor M W Helm
Strategy and Resources Committee	Y	Y	To make decisions or recommendations to the Council as per the constitution	As appointed by the Council

Body	Decision Making	Advisory to Council or Committee	Type of Decision	Maldon District Council (MDC) Membership
South Eastern Area Planning Committee	Y	N	Planning applications – non-strategic	
District Planning Committee	Y	N	Strategic Planning Applications	

- 3.2.7 The Table above sets out the various groups and individuals of Maldon District Council that will be involved in the decision-making processes around the DCO process. It is important to set these out not only in terms of the groups but, also in how they relate, as at times the DCO process will be fast moving and on occasions consultation periods may be limited to 28 days, which is shorter than our Committee cycle which is 6-weeks.
- 3.2.8 The aim is for the Bradwell ‘B’ Working Group to meet monthly to receive updates from Officers relating to the developing DC process. This will provide an important interface for Members with the DCO process and enable the group to advise the Council and Committees which will be making decisions relating to the DCO process. Minutes of the working group will be made available to all Members.
- 3.2.9 Maldon District Council may also make planning decisions outside of the DCO process, but still linked to the development of the Power Station. Applications of this type will be considered as strategic applications and considered by the District Planning Committee.

4. CONCLUSION

- 4.1 Maldon District Council will be required to make a range of decisions as part of the DCO process, beginning with the approval of the Statement of Community Consultation. The Council will need to respond in a timely and effective way, utilising the decision-making framework consistently, as set out in this report.

5. IMPLICATIONS

- (i) **Impact on Customers** – The Council will need to respond to the DCO process in a timely and effective way including commenting on the Statement of Community Consultation which will outline the way the community is consulted.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – There is not a direct risk to the Council, but failure to engage in the DCO process would put at risk the Council’s ability to influence the development process and the legacy of planning decisions.

- (iv) **Impact on Resources (financial)** – There is a financial implication for the Council in engaging in the DCO process but not directly related to this report, and the governance issues raised.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers:

None

Enquiries to:

Paul Dodson, Director of Strategy, Performance and Governance, (Tel: 01621 854477).

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REPORT of INTERIM SECTION 151 OFFICER

**to
COUNCIL
19 DECEMBER 2019**

DRAFT STATEMENT OF ACCOUNTS 2018/19

1. PURPOSE OF THE REPORT

- 1.1 The Performance, Governance and Audit Committee on 28 November 2019 considered a report from the Interim Section 151 Officer on the Draft Statement of Accounts 2018/19. The Committee resolved the following:

***RECOMMENDED** that the final Statement of Accounts for 2018/19, once the External Auditor's Opinion on the accounts and the judgement for Value for Money had been received, be approved.*

- 1.2 This report is to present to the Council (members meeting as a whole) the Draft Statement of Accounts for 2018/19 at **APPENDIX 1** for approval.
- 1.3 The Accounts and Audit Regulations 2015 require the Chairman of the meeting at which the Statement of Accounts are considered and approved to sign them following the consideration and approval by the meeting.
- 1.4 The Council's external auditor is Deloitte LLP and the financial year ended 31 March 2019 (2018/19) is their first year as the appointed external auditors.

2. RECOMMENDATIONS

- i) that the Draft Statement of Accounts for 2018/19 as set out in **APPENDIX 1** be considered and approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The content of the Statement of Accounts is determined by statutory requirements and mandatory professional standards as set out within The Code of Practice on Local Authority Accounting in the United Kingdom (The Code) and the International Financial Reporting Standards (IFRS) as applicable to local authorities.
- 3.2 There is a statutory requirement to publish the approved and audited Statement of Accounts by 31st July of the financial year immediately following the end of the financial year to which the statement relates. However, where this has not been possible to comply with, the Accounts and Audit Regulations 2015 allow for the

publication to be “as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor’s final findings from the audit which is issued before the conclusion of the audit”. A notice in accordance with the Regulations has been published on the Council’s website, see link below and is attached at **APPENDIX 2**.

https://www.maldon.gov.uk/info/20070/finance/9268/the_councils_finances

- 3.3 The Draft Statement of Accounts 2018/19 have been signed by the Interim Section 151 Officer confirming that I am satisfied that they present a true and fair view of -
- (a) The financial position of the Council at the end of the financial year 2018/19; and,
 - (b) The authority’s income and expenditure for 2018/19.
- 3.4 The Statement of Accounts presented at **APPENDIX 1** includes an unsigned draft copy of the External Auditor’s report titled ‘Independent Auditor’s Report to the Members of Maldon District Council’. **The external auditor will only sign his opinion upon receipt of the signed copy of the Statement of Accounts from the Council. He will send his signed opinion to the Council to incorporate into a signed copy of the Statement of Accounts which will then be published in accordance with the Regulations.**
- 3.5 The term draft is used for the Statement of Accounts and the external auditors’ opinion in the context that the Statement of Accounts can only be final once they have been approved by Council and the same applies to the external auditors’ opinion.
- 3.6 The Council has made all the adjustments, amendments, corrections and provided explanations that the external auditor had identified and required in the normal course of the audit. There were two misstatements in the accounts identified by the external auditor that were corrected by the Officers and that have been brought to the attention of the Council. These are:
- Accounting for the outcome of McCloud judgement relating to a judgement that was made by the Court of Appeal on a case relating to age discrimination in respect of pensions. The judgement was after the end of the financial year. The consequences and effect of the judgement is significant and wide and not limited to this Council only. As a result, like all local authorities the Council had to ask their Pension Fund actuaries to undertake further work to quantify the impact on the Council which for this Council is £0.5m.
 - The valuation of the White Horse Lane Car Park had to be reduced by £0.6m as a result of difference of opinion on the original valuation produced by the Council’s appointed professional valuer and the external auditors’ professional valuer. This related to the assumption built into the valuation and not the methodology. The adjusted valuation was agreed between the two valuers and accepted by the external auditor and the Interim Section 151 Officer and the adjustment was made in the accounts.

4. CONCLUSION

- 4.1 Based on the work that DELOITTE LLP has substantially completed, no significant issues with the Council's accounts for 2018/19 have been identified. The Council has made the adjustments in the accounts where the external auditor identified issues that required to be adjusted.
- 4.2 The external auditor has issued his draft audit opinion and value for money judgement which indicate an unqualified or modified opinion on the accounts for 2018/19 and value for money.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The report links to the Maldon District Council's Strategic Theme of providing clear direction for allocating and managing our resources, grant funding and capital expenditure.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background papers: None.

Enquiries to: Interim Section 151 Officer (Tel: 01621 875762).

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**Maldon District
Council
Statement of
Accounts Year ended
31.03.19

Draft**

This document can be made available on request in larger print, braille and audio and in languages other than English.

To obtain a copy in an alternative format please go to the online form at:

www.maldon.gov.uk/contact

**MALDON DISTRICT COUNCIL
STATEMENT OF ACCOUNTS 2018/19**

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*** Please note that figures are rounded to the nearest thousand (where applicable) throughout the document and may not sum due to rounding**

Narrative by Interim Section 151 Officer

Introduction

I am pleased to present the Statement of Accounts for Maldon District Council for 2018/19.

Our Purpose and Role

As a District Council we exist to:

- ensure the provision of good quality and improving local services accessible to all those who need them;
- promote improvement in the quality of life for all our residents;
- use our devolved powers of regulation for the wider good; and
- champion the needs of the District at local, regional and national levels.

We play a number of roles that affect how directly we will control or influence meeting the goals for the District. In summary these roles are:

As Regulator – We hold various regulatory powers such as planning, licensing, and environmental health. Through these we can have both direct control and indirect influence over other organisations and their actions.

As Service Provider – In addition to our regulatory service provision, we also have a statutory duty to provide a number of other services that are vital to the local community including refuse and recycling collection, housing benefit provision, council tax collection, and assisting the homeless. Councils also have a role in advancing the health, economic, cultural and leisure agendas.

As Community Leader – As the democratically elected body for the District, we have a role in leading on issues important to our local communities, working with them to help shape their aspirations and explore ways in which they can be delivered; advocating on behalf of them at national, regional and county levels, and planning and safeguarding for the future of our District and its communities.

As Partner – We have a good track record of working in partnership with various organisations to deliver services and secure improvements for our local communities. Difficult financial times reinforce the need to review how we, and others, support and facilitate partnership working in the District in the future.

Maldon is a rural District in the heart of Essex. The population is ageing, but also growing as there are a number of large housing developments in the area. These form key triggers for the Council's objectives around supporting the demographic and ensuring that there is the relevant infrastructure for the growing demand.

The purpose of the Statement of Accounts is to provide clear information to readers on how Maldon District Council has utilised available financial resources using CIPFA's code on Local Authority Accounting, based on International Financial Reporting Standards (IFRS). This document provides details of the Comprehensive Income and Expenditure for the financial year 2018/19.

The report provides the accounting for the General Fund and Collection Fund and all other accounts for which the Council is responsible. The Council's Balance Sheet provides details of the assets and liabilities as at 31 March 2019. Other supporting statements are provided to help to explain the figures in the accounts. In addition, a glossary can be found at the back of this publication to help explain some of the technical terms.

The accounts and other relevant documents are subject to audit by Deloitte LLP who provide their opinion on the Council's accounts.

The Statement of Accounts

The accounts for the year ended 31 March 2019 consist of the following statements:

Statement of Responsibilities

The statement sets out the respective responsibilities of Maldon District Council (the Council) and the Interim Section 151 Officer, who is responsible for Finance.

Independent Auditor's Report

The Independent Auditor is required to publish an opinion on whether the financial statements give a true and fair view of the financial position and the expenditure and income of the Council for the year in question. The auditor also has a responsibility to satisfy themselves that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources by review and examination of the Council's corporate performance management and financial management arrangements. The Comptroller & Auditor General (National Audit Office) prepares the code of audit practice which external auditors follow when carrying out their duties.

The Financial Statements:

PRIMARY STATEMENTS

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost for the year of providing services. This is different from the amount funded from taxation which is shown in the Movement in Reserves Statement.

Movement in Reserves Statement

This statement shows the change in the Council's financial resources over the year, including reconciling the accounting cost for the year of providing services with that under statute and used for raising local taxation. Financial resources are represented by specific usable and unusable reserves.

Balance Sheet

This statement shows how the resources available to the Council are held in the form of assets and liabilities. The net assets of the Council are matched by reserves that are analysed into 'usable' and 'unusable' reserves, the former being available to fund expenditure and/ or reduce local taxation, subject to maintaining a prudent level of reserves. The latter represents unrealised gains/ losses and timing differences between recognising amounts in accordance with accounting rules and statutory regulations.

Cash Flow Statement

This statement shows how the movement in resources has been reflected in cash flows of the Council and ultimately changes in cash and cash equivalents.

Accounting Policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by the Council in preparing and presenting its financial statements. The accounting policy for the valuation of fixed assets has been amended to reflect the new practice of valuing one fifth of the asset base each year.

Notes to the Accounts

The Notes provide further breakdown and explanation of amounts included in the above financial statements.

Further supplementary financial statements and other additional information are the provided, comprising:

Collection Fund

The Collection Fund statement reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the Government of council tax and non-domestic rates.

Summary of the Financial Outturn for the Year

The overall CIES shows a surplus of £2.2m in the activities of the Council, comprising of the following:

2017/18		2018/19
£000		£000
(47)	(Surplus)/Deficit on Provision of Services	1,749
(6,838)	Other Comprehensive Income	(3,938)
(6,885)	Total Comprehensive Income	(2,189)

The Council is required to determine its revenue (including amounts from Council Taxpayers) and capital resources according to statutory regulations rather than IFRS. Adjustments must therefore be made to the Surplus or Deficit on Provision of Services to reconcile the IFRS accounts to the actual change in the Council's resources available as reflected in the Usable Reserves.

2017/18		2018/19
£000		£000
(47)	(Surplus)/Deficit on Provision of Services	1,749
362	Adjustments between accounting basis and funding basis under regulations	(1,840)
315	Reduction / (Increase) in Usable Reserves of the Council	(91)
	Comprising:	
274	Reduction / (Increase) in Revenue Balances and Reserves	(610)
41	Reduction in Capital Balances and Reserves	519

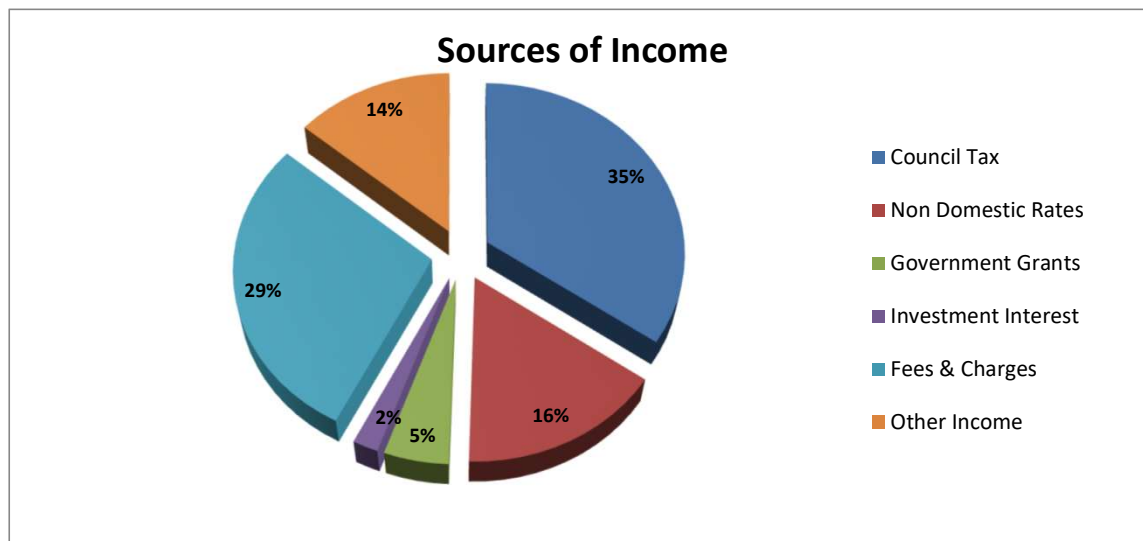
Revenue Expenditure and Sources of Finance

Revenue expenditure reflects the cost (on an IFRS basis) to the Council of providing services to the community. Revenue expenditure totalled £32.1m for the year ended 31 March 2019.

2017/18		Service	2018/19	
Gross Exp			Gross Exp	
£000	%		%	£000
1,060	4	Chief Executive	6	2,013
2,953	10	Resources Directorate	11	3,457
22,786	74	Customers and Community Directorate	71	22,729
3,845	13	Planning and Regulatory Directorate	12	3,944
30,644	Cost of Services			32,143

Revenue Expenditure and Sources of Finance (Cont.)

Funding for the revenue expenditure comes from a variety of sources:



Performance against net revenue budget

The estimated net revenue expenditure for the Council for 2018/19 was originally £9,514,000. Subsequent to the original budget being agreed this was revised to £12,035,000. Actual net expenditure for the year was £10,512,199, the detail of which is shown below.

	Revised Budget £000	Actual Expenditure £000	Variance £000
Chief Executive	2,706	1,988	718
Resources Directorate	3,125	3,371	(246)
Customers and Community Directorate	3,963	3,087	876
Planning and Regulatory Directorate	2,241	2,066	175
Net Cost of Services	12,035	10,512	1,523
Investment, Trading & Rental Income	(270)	(458)	188
Statutory Adjustments	(2,350)	(1,971)	(379)
General Grants & Other Income	(505)	(883)	378
Council Tax Receipts	(6,104)	(6,104)	(0)
Revenue Support Grant	0	0	-
Business Rate Income	(2,624)	(2,753)	129
Collection Fund Adjustment	(159)	(390)	231
Parish Precepts	1,436	1,436	-
Transfer to / (from) Earmarked Reserves	(1,511)	(932)	(579)
Transfer to / (from) General Fund	50	1,542	(1,592)

Capital Expenditure

Capital expenditure for 2018/19 was £496,000 (£1,021,000 for 2017/18). This compares with a revised budget of £1,302,000

A summary of the key capital schemes for 2018/19 is shown below:

Scheme	2018/19 Budget	Actual spend to 31 March 2019
	£000	£000
Vehicle and Plant replacement	36	-
Information and Computer Technology	799	293
Maldon Promenade Park	189	88
Parks and Open Spaces	20	75
Cemeteries	24	3
Car Parks	118	7
Replacement polling booths	25	7
99 Wood Road		1
Purchase of bins	22	22
CCTV	69	-
Total	1,302	496
Housing *	420	503

* The Housing figure includes external contributions to capital works in respect of Disabled Facility Grants (DFG), as Revenue Funded Capital Under Statute (REFCUS)

The Key Variance relates to Information and Computer Technology, which is a project that spans more than one accounting period and is work still in progress

Pension Fund

The Council's share of the assets and liabilities of the Pension Fund is a net liability. The net liability has decreased from (£26,460K) to (£25,535K). A further explanation can be found in note 27 to the Core Financial Statements. It is important to understand that the net pension liability is a position taken at just one point in time. Market prices can move up as well as down in the short term and it is therefore not possible to quantify what long term effect the movement in market prices will have on the Pension Fund.

The net pension liabilities have decreased after actuaries allowed for Employer Asset investment returns, contributions paid into and estimated benefits paid from the fund and after projecting future cashflows to be paid from the fund, together with Demographic and Statistical assumptions including mortality projections.

Provisions/Contingencies

The Council makes provisions for Bad Debts and for Business Rate Appeals that have been assessed as having a "probable" success rate. 13 appeals were settled by the Valuation Office during 2018/19, with a new total rateable value of £875,000

The increase in provision therefore reflects a further possible year of backdated claims.

There were no material write offs during 2018/19.

The Council also has earmarked reserves set aside for contingent liabilities i.e. "possible" obligations. A further explanation can be found in note 28 to the Core Financial Statements.

Future Outlook Revenue

The Council has implemented a whole council transformation programme titled the Future Model over the years 2018/19 and 2019/20 to save on costs and raise additional revenue totalling £1.89m by 2022/23. This was in response to the revenue budget gap identified in its Medium Term Financial Strategy. The Council has also approved a Commercial Strategy that will look to develop an approved list of potential commercial projects to create new or increased revenue streams. The Council has been pro-active and

It continues to hold robust levels of reserves.

The Council's general fund balances excluding earmarked reserves totalled £4.769m at 31 March 2019 (£3.227m at 31 March 2018) and cash balances were £7.877m at 31 March 2019 (£6.823m at 31 March 2018).

Capital**Estimated Future Capital Spending plans**

	2019/20	2020/21	2021/22	2022/23
Project Title	£000	£000	£000	£000
Vehicle & Plant Replacement	118	22	22	22
Information & Communication Technology	35	35	35	35
Provision of Superfast broadband	45			
New Accessible playsite	48	-	-	
Splash Park new elements	10	10		
Housing	420	420	420	420
Maldon Cemetery foundation work	25	-	-	
Other New Projects	-	-	-	
Total Capital Programme	701	487	477	477
Financed by:				
Capital Receipts	281	67	57	57
Government Grant	420	420	420	420
Total Funding	701	487	477	477

The above table shows the capital spending plans of the Council in line with the Medium Term Financial Strategy approved on 14 February 2019.

Whether paid on account, by instalments or in arrears, Government grants and third party contributions and donations are recognised as due to the Council when there is a reasonable assurance that:

- The Council will comply with the conditions attached to the payments; and
- The grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

The £420k planned expenditure for Housing relates to the Disabled Facilities Grant Programme which gives money to claimants for disabled adaptations on their home. This is funded by Central Government.

Risks

The biggest risk to the authority is the future uncertainty around funding. There is already a significant funding gap identified in the Medium Term Financial Strategy. There remains ongoing uncertainty on the future system of local government funding and how Maldon will fare within it. There will also be the new system for Business Rates retention that is being moved away from the 100% retention scheme originally proposed to a lower percentage and with a baseline rates reset removing the greater potential for retained growth income.

Government has not pre-announced any future financial settlement for 20/21 and beyond, nor given any indication of future resource levels for local government via a Spending Review. This coupled with an overhaul of the business rate retention scheme for funding and a review of funding allocations via the fair funding and the resources and needs review means the levels of support from Government, in terms of funding, are very uncertain. The Council is in a good position to address this uncertainty via its sound financial management and planning, alongside prudent levels of reserves needed in times of uncertainty. The Council will be monitoring all announcements by Government with respect to its proposals and ensuring that the Council reply to all consultations to ensure the interests of the Council and our residents are strongly represented.

There is further uncertainty over the date of departure for the UK from the European Union but the Council will be monitoring all developments during the year to ensure any potential financial impacts on the Council are anticipated.

Opportunities

The Council are always looking at opportunities for joint working with other bodies, this could be something as simple as joint procurement of a service, or on a larger scale the joint provision of a service.

With the greater freedoms now available to Local Government, Maldon District Council are starting to explore commercial opportunities to assist in meeting the gaps in future finances.

Performance Information

The Corporate Plan covering the period 2015/2019 was updated and adopted by the Council in February 2018. The Plan sets the vision and corporate goals and provides strategic direction for the planning and delivery of the Council's work. For each goal, the Plan details the objectives the Council is striving to achieve.

Each year the Corporate Leadership Team (CLT), together with managers, identifies the key corporate activities that will be taken forward to contribute to the achievement of the priorities and objectives. These are approved by Council and are monitored quarterly at a corporate level by CLT at performance and risk clinics which also involves the service managers. Targets for a number of key performance indicators are also agreed by Council and monitored corporately to manage performance and track the impact of the actions/provide evidence of achievements. Quarterly performance reports are submitted to the Overview and Scrutiny Committee which scrutinises decisions made by, and the performance of Committees and Council Officers.

The key corporate activities are detailed in the Level 1 Business Plan for each Directorate. This plan is the cornerstone of the performance planning process and contains the aims and priorities for each Directorate and are submitted to the Programme Committees for notification. At an operational level, each service produces a Level 2 business plan. These are not submitted to Committee, but facilitate effective performance and risk management within the Directorates including the setting of individual objectives and completion of performance reviews

Updates on the key corporate activities and the performance indicators are recorded by the responsible officers on TEN, the Council's corporate performance and risk management system. These updates form the basis of the quarterly performance reports to CLT and the Overview and Scrutiny Committee. Six monthly performance reviews are also undertaken by the Programme Committees.

Individual staff objectives flow from the key corporate and service activities.

Quarterly performance information is published on the Council's website and all the performance reports submitted to the Committees are accessible via the website.

The Key Performance Indicators monitored include:

Key Performance Indicator/Measure	2017/18		2018/19		2019/20
	Target	Actual	Target	Actual	Target
Level of reported crime (no. of incidents)	<2,422	2,572	<2,422	3,330	Tracking measure w.e.f. 18/19 - no target to be set
Percentage of Council Tax collected	98.30%	98.45%	98.30%	98.55%	98.30%
Percentage of Non-domestic Rates collected	98%	98.8%	98%	97.95%	98%
Time taken to process Housing Benefit/Council Tax Support - new claims (days)*	15 days	10.72 days	15 days	28.63 days	15 days
Time taken to process Housing Benefit/Council Tax Support – change of circumstances (days)	8.5 days	5.09 days	8.5 days	6.27 days	6.5 days
Percentage of major planning applications processed within 13 weeks	80%	97.92%	80%	91.23%	90%
Percentage of minor planning applications processed within 8 weeks	75%	97.8%	75%	97%	90%
Percentage of other planning applications processed within 8 weeks	85%	98.16%	85%	99.24%	90%
Quality of decisions: percentage of the total number of decisions on applications made during the assessment period overturned at appeal (major applications)	8.50%	6.15%	8.50%	97%	8.50%
Quality of decisions: percentage of the total number of decisions on applications made during the assessment period overturned at appeal (non-major applications)	8.50%	3.70%	8.50%	99.24%	8.50%
Total Kilogrammes of household waste arising per household (annual)	790kg	825kg	790kg	825.8kg	750kg (subject to final review)
Percentage of household waste sent for reuse, recycling and composting	58%	59.60%	58%	58.80%	59%
Total Kilogrammes of residual household waste per household	350kg	333kg	350kg	339kg	340kg (subject to final review)
Average number of working days lost due to sickness per FTE	8 days	10.86 days	8 days	7.02 days	8 days

*The actual figure for 2018/19 is higher than the target, when the resources available for this were reduced due to a period when core systems were stressed which resulted in the original target not being achieved as the additional demands that the service faced as they embed significant service transformations. There has also been the impact as a result of the Universal Credit roll out as, in some circumstances, additional checks, the timescales for which are not wholly within the Council's control, were required to establish whether a claim is new or should be Universal Credit. The situation is being monitored closely.

Other measures that are not wholly within the Council's control are also "tracked" during the year.

These are linked to the corporate goals and objectives. Monitoring the performance of these provides evidence of progress towards achieving our goals and outcomes.

Further Information

Further information about the accounts is available from the Interim Section 151 Officer, Maldon District Council, Princes Road, Maldon, Essex. CM9 5DL

Transparency information concerning the Council's spend with suppliers is detailed on the website (www.maldon.gov.uk).

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**The Council's Responsibilities**

The Council is required to:

- (i) make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Interim Section 151 Officer;
- (ii) manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- (iii) approve the Statement of Accounts.

The Section 151 Officer's Responsibilities

The Section 151 Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy's (CIPFA) / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code). In preparing this Statement of Accounts the Section 151 Officer has:

- (i) selected suitable accounting policies and then applied them consistently;
- (ii) made judgements and estimates that were reasonable and prudent;
- (iii) complied with the local Authority Code.

I certify that these accounts were considered and approved under delegated powers, by the Performance, Governance and Audit Committee at the meeting held on 28 November 2019

On behalf of Maldon District Council
Councillor R G Boyce MBE
Chairman of the council

Signed:

Date: 19 December 2019

The Section 151 Officer has also:

- (i) kept proper accounting records which were up to date;
- (ii) taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that this Statement of Accounts presents a true and fair view of the financial position of the Council at 31 March 2019 and its income and expenditure for the year then ended.

Signed



Kamal Mehta
Interim S.151 Officer
Date: 11 December 2019

EXPENDITURE FUNDING ANALYSIS

The Expenditure and Funding Analysis is a note to the Financial Statements, however it is positioned here as it provides a link from the figures reported in the Narrative by the Interim Section 151 Officer to those in the Comprehensive Income and Expenditure Statement.

The objective of the Expenditure and Funding Analysis is to demonstrate to council taxpayers how the funding available to the authority (i.e. government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2017/18			2018/19		
Net Expenditure Chargeable to the General Fund	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
1,031	2	1,033 Chief Executive	1,986	2	1,988
2,772	80	2,852 Resources Directorate	3,535	(163)	3,372
2,081	781	2,862 Customers and Community Directorate	2,495	593	3,088
1,878	343	2,221 Planning and Regulatory Directorate	1,591	474	2,065
(1,176)	1,176	Absence Accrual and IAS19 Adjustments - included in the above	(1,402)	1,402	0
6,586	2,382	8,968 Net Cost of Service	8,205	2,307	10,513
(6,310)	(2,705)	(9,015) Other Income and Expenditure	(8,818)	55	(8,764)
276	(323)	(47) Surplus or Deficit	(613)	2,363	1,749
6,992		Opening General Fund Balance at 1 April	6,716		
(276)		Add (deficit)/surplus on General Fund in year	613		
6,716		Closing General Fund balance at 31 March	7,327		

Notes to the Expenditure and Funding Analysis

Note 1.

ADJUSTMENTS FROM GENERAL FUND TO ARRIVE AT THE COMPREHENSIVE INCOME AND EXPENDITURE ACCOUNT

2017/18

Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Total Adjustments
2	88	-	90
80	266	0	346
781	412	0	1,193
343	410	0	753
1,205	1,176	0	2,382

(1,309)	(996)	(400)	(2,705)	Other Income and Expenditure from the Funding Analysis
(103)	180	(400)	(323)	Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statements Surplus or Deficit

Adjustments for Capital Purposes	2018/19 Net change for the Pensions Adjustments (Included in service cost for members outturn)	Other Differences (Included in service cost for members outturn)	Total Adjustments
2	104	-	106
(163)	308	-	145
593	502	-	1,095
474	488	-	962
906	1,402	-	2,308
(1,392)	1,091	356	55
(486)	2,493	356	2,363

Adjustments for Capital Purposes

This column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

Financing and investment income and expenditure – the statutory charges for capital financing ie Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

Taxation and non-specific grant income and expenditure - Capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.

For Financing and investment income and expenditure - the net interest on the defined benefit liability is charged to the CIES.

Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

For Financing and investment income and expenditure the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

Notes to the Expenditure and Funding Analysis**Note 2.**

Income received in a segmental basis is recorded below:

2017/18		2018/19
£000's	Income	£000's
(27)	Chief Executive	(25)
(101)	Resources Directorate	(86)
(19,924)	Customers and Community Directorate	(19,642)
(1,624)	Planning and Regulatory Directorate	(1,878)
<u>(21,676)</u>	Total income analysed in a segmental basis	<u>(21,631)</u>

Note 3.**EXPENDITURE AND INCOME ANALYSED BY NATURE**

The authority's expenditure and income is analysed as follows:

2017/18		2018/19
£000's		£000's
	Expenditure	
8,940	Employee benefits expenses	10,202
19,774	Other services expenses	20,332
694	Direct cost recharges	704
1,070	Depreciation, amortisation and impairment	239
831	Interest payments	660
1,383	Precepts and levies	1,436
<u>32,692</u>	Total expenditure	<u>33,573</u>
	Income	
(6,705)	Fees, charges and other service income	(7,456)
(389)	Interest and investment income	(453)
(8,990)	Income from council tax, nondomestic rates, district rate income	(8,857)
(608)	Gain on the disposal of assets	0
(16,048)	Government grants and contributions	(15,057)
<u>(32,740)</u>	Total income	<u>(31,823)</u>
<u>(47)</u>	(Surplus)/Deficit on the Provision of Services	<u>1,749</u>

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2017/18	2017/18	2017/18		2018/19	2018/19	2018/19
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
1,060	(27)	1,033	Chief Executive	2,013	(25)	1,988
2,953	(101)	2,852	Resources Directorate	3,457	(86)	3,371
22,786	(19,924)	2,862	Customers and Community Directorate	22,729	(19,642)	3,087
3,845	(1,624)	2,221	Planning and Regulatory Directorate	3,944	(1,878)	2,066
30,644	(21,676)	8,969	COST OF SERVICES	32,143	(21,631)	10,512
		1,383	Parish & Town Precepts			1,436
		(608)	Gains on the disposal of fixed assets			-
		775	OTHER OPERATING EXPENDITURE			1,436
		6	Interest payable and similar charges			-
		(237)	Interest on investments			(296)
		(13)	Surplus on trading undertakings			(16)
		825	Net interest on pension liability			665
		(65)	Revaluation of Available for Sale Financial Asset			(6)
		(139)	Rental Income from Investment Assets			(146)
		(101)	Revaluation Gain on Investment Assets			(661)
			FINANCING AND INVESTMENT INCOME &			
		276	EXPENDITURE			(460)
		(6,024)	Council Tax Income			(6,104)
		(1,076)	Government Grants (not attributable to specific services)			(883)
		(2,966)	Non-Domestic Rates			(2,753)
(9,015)	(8,764)	(10,066)	TAXATION AND NON SPECIFIC GRANT INCOME			(9,740)
		(46)	(SURPLUS) / DEFICIT ON THE PROVISION OF SERVICES			1,749
		(5,562)	Re-measurement of net defined liability for the pension fund			(3,448)
			Surplus or deficit on revaluation of Property, Plant and			
		(1,276)	Equipment assets			(490)
		(6,838)	OTHER COMPREHENSIVE INCOME AND EXPENDITURE SURPLUS			(3,938)
		(6,884)	TOTAL COMPREHENSIVE INCOME AND EXPENDITURE SURPLUS			(2,189)

Note

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MOVEMENT IN RESERVES STATEMENT

		Revenue Reserves		Capital Reserves				
	Notes	General Fund Balance £000	Earmarked General Fund Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Comparative Year								
Balance at 01 April 2018 Brought Forward	7	(4,339)	(2,653)	(3,510)	(207)	(10,709)	(2,095)	(12,804)
Movements in reserves during 2017/18								
Total Comprehensive Income & Expenditure		(47)	-	-	-	(47)	(6,838)	(6,885)
Adjustments between accounting basis & funding basis under regulations		321	-	(35)	76	362	(362)	-
Transfers to / (from) earmarked reserves		838	(838)	-	-	-	-	-
(Increase)/Decrease in the year in 2017/18	7	1,112	(838)	(35)	76	315	(7,200)	(6,885)
Balance at 31 March 2018 Carried Forward	7	(3,227)	(3,491)	(3,545)	(131)	(10,394)	(9,295)	(19,689)
Current Year								
Balance at 01 April 2018 Brought Forward	7	(3,227)	(3,491)	(3,545)	(131)	(10,394)	(9,295)	(19,689)
Movements in reserves during 2018/19								
Total Comprehensive Income & Expenditure		1,749	-	-	-	1,749	(3,929)	(2,180)
Adjustments between accounting basis & funding basis under regulations		(2,359)	-	453	66	(1,840)	1,840	-
Transfers to / (from) earmarked reserves	7	(932)	932	-	-	-	-	-
(Increase)/Decrease in the year in 2018/19	7	(1,542)	932	453	66	(91)	(2,089)	(2,180)
Balance at 31 March 2019 Carried Forward		(4,769)	(2,559)	(3,092)	(65)	(10,485)	(11,384)	(21,869)

**Notes to the Movement In Reserves Statement
2017/2018**

	Usable Reserves			
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Total
	£000	£000	£000	£000
Adjustments to the Revenue Resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:				
Amortisation of intangible fixed assets	(38)	-	-	(38)
Depreciation of fixed assets	(760)	-	-	(760)
Loss on Revaluation	(142)	-	-	(142)
Revaluation gain on Non Current assets	74	-	-	74
Reversal of Capital Grants & Contributions Credited straight to services	373	-	-	373
Revenue Expenditure Funded From Capital Under Statute	(341)	-	-	(341)
Revaluation of Investment Assets	101	-	-	101
Net gain/loss on sale of fixed assets	608	(608)	-	-
Insertion of items not debited or credited to the Comprehensive Income & Expenditure Statement				
Statutory provision for financing	227	-	-	227
Investment Assets fair value gain				
Capital Expenditure charged in year to the General Fund	-	-	-	-
Adjustments relating to the Capital Grants Unapplied Account				
New Capital Grants Received Reversed to CAA or Capital Grants Unapplied	-	-	-	-
Utilisation of Capital Grants Unapplied				
Adjustments Relating to Capital Receipts	-	-	-	-
Capital receipts applied		573	76	649
Deferred Capital Receipts Received				
Adjustments relating to the Pensions Reserve	-	-	-	-
Net charges made for retirement benefits in accordance with IAS19	(2,818)	-	-	(2,818)
Employer's contributions payable to the pension fund and retirement benefits payable direct to pensioners	2,636	-	-	2,636
Adjustments relating to the Collection Fund Adjustment Account				
Transfers to (from) Collection Fund Adjustment Account	336	-	-	336
Adjustments relating to the Available for Sale Reserve				
Transfers to (from) Available for Sale Reserve	65	-	-	65
Adjustments relating to the Accumulated Absences Account				
Employee Benefits Accrued (prior year adjustment)	79	-	-	79
Employee Benefits Accrued (current year adjustment)	(79)	-	-	(79)
Total adjustments between accounting basis & funding basis under regulations	321	(35)	76	362

**Notes to the Movement In Reserves Statement
2018/2019**

Usable Reserves

	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Total
	£000	£000	£000	£000
Adjustments to the Revenue Resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:				
Amortisation of intangible fixed assets	(36)	-	-	(36)
Depreciation of fixed assets	(739)	-	-	(739)
Loss on Revaluation	-	-	-	-
Revaluation gain on Non Current assets	338	-	-	338
Reversal of Capital Grants & Contributions Credited straight to services	502	-	-	502
Revenue Expenditure Funded From Capital Under Statute	(437)	-	-	(437)
Revaluation of Investment Assets	661	-	-	661
Net gain/loss on sale of fixed assets	3	(15)	-	(12)
Insertion of items not debited or credited to the Comprehensive Income & Expenditure Statement				
Statutory provision for financing	226	-	-	226
Investment Assets fair value gain				
Capital Expenditure charged in year to the General Fund	-	-	-	-
Adjustments relating to the Capital Grants Unapplied Account				
New Capital Grants Received Reversed to CAA or Capital Grants Unapplied	-	-	-	-
Utilisation of Capital Grants Unapplied				
Adjustments Relating to Capital Receipts	-	-	-	-
Capital receipts applied	-	468	66	534
Deferred Capital Receipts Received				
Adjustments relating to the Pensions Reserve	-	-	-	-
Net charges made for retirement benefits in accordance with IAS19	(3,453)	-	-	(3,453)
Employer's contributions payable to the pension fund and retirement benefits payable direct to pensioners	932	-	-	932
Adjustments relating to the Collection Fund Adjustment Account				
Transfers to (from) Collection Fund Adjustment Account	(390)	-	-	(390)
Adjustments relating to the Available for Sale Reserve				
Transfers to (from) Available for Sale Reserve	6	-	-	6
Adjustments relating to the Accumulated Absences Account				
Employee Benefits Accrued (prior year adjustment)	79	-	-	79
Employee Benefits Accrued (current year adjustment)	(51)	-	-	(51)
Total adjustments between accounting basis & funding basis under regulations	(2,359)	453	66	(1,840)

BALANCE SHEET

31-Mar-18 £000		Note	31-Mar-19 £000
28,609	NON CURRENT ASSETS		
2,458	Property Plant & Equipment	9	29,364
2,905	Land & Buildings		2,028
624	Vehicles Plant & Equipment		2,869
16	Infrastructure		624
95	Community Assets		16
1,997	Assets Under Construction		95
121	Heritage Assets		2,659
4,932	Investment Property	11	369
226	Intangible Assets		4,940
	Long Term Investments	12	277
	Long Term Debtors	14	
41,983	TOTAL LONG TERM ASSETS		43,241
16	CURRENT ASSETS		
3,170	Inventories		15
6,823	Short Term Debtors	13	2,207
1,001	Cash and Cash Equivalents	15	7,877
11,010	Available for Sale	12	2,000
			12,099
(4,276)	LESS CURRENT LIABILITIES		
(651)	Short term creditors	16	(5,022)
(4,927)	Provisions	29	(1,082)
			(6,104)
6,083	NET CURRENT ASSETS		5,995
(1,131)	Long Term Creditors	26	(905)
(26,460)	Liability related to Pension Scheme	27	(25,535)
(100)	Provisions (insurance)	29	(100)
(695)	Capital Grants Receipts in Advance		(826)
(28,386)	TOTAL LONG TERM LIABILITIES		(27,366)
19,680	TOTAL ASSETS LESS LIABILITIES		21,870
	FINANCED BY		
(3,545)	Usable Reserves		
(131)	- Usable Capital Receipts Reserve		(3,092)
(6,716)	- Capital Grants Unapplied Account		(65)
	- Revenue Reserves	7	(7,327)
(10,392)	- Total Usable Reserves		(10,484)
(13,609)	Unusable Reserves	17	
(22,107)	- Revaluation Reserve		(14,066)
26,460	- Capital Adjustment Account		(23,177)
(224)	- Pensions Reserve	27	25,535
113	- Collection Fund Adjustment Account		167
79	- Available for Sale Reserve		106
	- Accumulated Absences Account		51
(9,288)	- Total Unusable Reserves		(11,384)
(19,680)	TOTAL NET WORTH		(21,870)

These financial statements replace the unaudited financial statements certified by Emma Foy (Director of Resources) on 31 May 2019.

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash flows have been made from resources which are intended to contribute to the authority's future service delivery. Financing activities summarises cash flows from where we have offered or received loans or finance leases during the year.

2017/18 £000	Note	2018/19 £000
(47) Net (surplus)/deficit on the provision of services		1,749
(533) Adjustments to net (surplus)/deficit for non-cash movements	(note A)	(191)
608 Adjustments for items that are financing or investing activities	(note B)	(427)
28 Net cash (inflows)/outflows from operating activities		1,131
Investing activities		
Purchase of property, plant and equipment, investment property and		
419 intangibles		459
10,000 Purchase of short and long term investments		2,000
45 Other payments made for investing activities		-
Proceeds of sale of property, plant and equipment, investment		
- property and intangibles		(16)
(11,000) Proceeds of sale of short and long term investments		(1,000)
(288) Other receipts from investing activities		-
(824) Net cash (inflow)/outflow from investing activities		1,443
Financing activities		
226 Repayment of finance lease		226
221 Other receipts for financing activities		(1,060)
(13) Cash receipts of short and long term borrowing		-
(592) Other cash receipts from financing activities		(390)
- Interest Received	(note D)	(296)
(158) Net cash (inflow)/outflow from financing activities		(1,520)
(954) Net (increase) or decrease in cash and cash equivalents		1,054
5,869 Cash and cash equivalents at the beginning of the year		6,823
6,823 Cash and cash equivalents at the end of the year	(note C)	7,877

Notes to the Cash Flow Statement

Note A: adjustments to net (surplus) or deficit for non-cash movements

2017/18 £000		2018/19 £000
(765)	Depreciation, impairments and amortisation	(739)
(4)	(Increase) / Decrease in inventories	1
(37)	Increase in impairment for bad debts	-
172	Decrease in debtors	912
315	Increase in creditors	744
(99)	(Decrease) / Increase in provisions	1,355
(2,816)	Pension costs	(4,401)
2,636	Pension charges	932
65	Revaluation gains on the value of non-current assets	1,005
(533)		(191)

Note B: adjustments for items that are financing or investing activities

2017/18 £000		2018/19 £000
608	Proceeds of sale of property, plant and equipment, investment property and intangibles	-
-	Capital grants received	(131)
	Interest received	(296)
608		(427)

Note C: cash & cash equivalent components

As at 31 March 18 £000		As at 31 March 19 £000
5,503	Call accounts	6,205
1,316	Cash	1,668
4	Cash floats	4
6,823		7,877

Note D: Interest paid and received

2017/18 £000		2018/19 £000
(240)	Interest received	(296)
6	Interest paid	-
(234)	Net cash (inflow) / outflow	(296)

Note E: Reconciliation of liabilities arising from financing activities

	31 March 2018 £000	Financing Cashflows £000	Non Cash Acquisition	Changes Other non-cash changes	31 March 2019 £000
Lease Liabilities	1,358	(226)	-	-	1,131
Total liabilities from financing activities	1,358	(226)	-	-	1,131

	31 March 2017 £000	Financing Cashflows £000	Non Cash Acquisition	Changes Other non-cash changes	31 March 2018 £000
Lease Liabilities	1,584	(226)	-	-	1,358
Total liabilities from financing activities	1,584	(226)	-	-	1,358

COLLECTION FUND

2017/18		
Business Rates £000	Council Tax £000	TOTAL £000
-	(40,202)	(40,202)
(13,942)	-	(13,942)
-	(11)	(11)
(13,942)	(40,213)	(54,155)
6,353	-	6,353
1,144	27,776	28,920
-	3,748	3,748
127	1,648	1,775
5,082	5,855	10,937
(443)	-	(443)
(79)	1,104	1,025
-	149	149
(9)	66	57
(354)	231	(123)
11,821	40,577	52,398
113	38	151
321	-	321
93	-	93
601	-	601
1,128	38	1,166
(993)	402	(591)
1,077	(2,125)	(1,048)
84	(1,723)	(1,639)

Income

Council Tax Receivable (CT)
Business Rates Receivable (NDR)
Annex Discount Grant (CT)

Expenditure

Precepts Demands and Shares:
Central Government
Essex County Council
PFCC for Essex Policing and Community Safety*
Essex PFCC Fire & Rescue Authority*
Maldon DC & Parishes
Redistributed Collection Fund previous year surplus
Central Government
Essex County Council
PFCC for Essex Policing and Community Safety*
Essex PFCC Fire & Rescue Authority*
Maldon DC & Parishes
Charges to Collection Fund:
Increase /Decrease (-) in Bad Debt Provision
Increase/Decrease (-) in Provision for Appeals
Costs of Collection
Disregarded Amounts

2018/19		
Business Rates £000	Council Tax £000	TOTAL £000
-	(42,626)	(42,626)
(14,230)	-	(14,230)
-	-	-
(14,230)	(42,626)	(56,856)
6,635	-	6,635
1,194	29,558	30,752
-	4,089	4,089
133	1,703	1,836
5,308	6,104	11,412
89	-	89
16	754	770
-	102	102
2	45	47
71	159	230
13,448	42,514	55,962
81	133	214
1,125	-	1,125
91	-	91
456	-	456
1,753	133	1,886
971	21	992
84	(1,723)	(1,639)
1,055	(1,702)	(647)

(-) Surplus/Deficit arising during the year
 (-) Surplus/Deficit b/fwd as at 1 April
 (-) Surplus/Deficit c/fwd 31 March

* PFCC is the abbreviation for Police, Fire and Rescue Authority and Crime Commissioner

Notes to the Collection Fund

1. COUNCIL TAX INCOME

The average Band D Council Tax for the year was £1,713 (£1,635 in 2017-18).

2. COUNCIL TAX BASE

The Council's tax base i.e. the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply) converted to an equivalent number of Band D dwellings, was calculated as follows:

Band	Chargeable Dwellings	Estimated Properties after discounts exemptions etc.	Ratio to Band D	B and D Equivalent Dwellings
A *	-	2.35	5/9	1.3
A	2,370.00	1,409.15	6/9	939.4
B	3,679.00	2,688.19	7/9	2,090.8
C	7,919.00	6,423.12	8/9	5,709.4
D	5,204.00	4,637.47	9/9	4,637.5
E	4,378.00	4,057.06	11/9	4,958.6
F	2,773.00	2,638.83	13/9	3,811.6
G	1,502.00	1,435.06	15/9	2,391.8
H	174.00	161.35	18/9	322.7
	27,999.00	23,452.58		24,863.1
Less adjustment for collection rate				(669.9)
Council Tax Base				24,193.2

* Band A properties entitled to a disabled relief reduction

3. NON DOMESTIC RATES

Rates are charged on each of the district's 2,449 commercial properties.

Rateable value at 31 March 2019

Multiplier: Business Rate Relief

50.4

Small Business Rate Relief

49.1

The multiplier is set by Central Government.

A business rates retention scheme was introduced in April 2013.

The Local Authority retains 100% of NDR income for their Renewable Energy sites then, after allowances and expenditure retains 40%, with 50% being paid to Central Government, 9% to Essex County Council and 1% to Essex County Fire & Rescue Service.

4. COLLECTION FUND BALANCES

	31-Mar-18 £000	Movement £000	31-Mar-19 £000
(Surplus) / Deficit (CT)	(1,723)	21	(1,702)
(Surplus) / Deficit (NDR)	84	971	1,055
		NDR	CT
Attributable to:			
Central Government		528	
Maldon District Council		422	(251)
Essex County Council		95	(1,214)
PFCC for Essex Policing and Community Safety			(168)
Essex PFCC Fire & Rescue Authority		11	(70)
		1,055	(1,702)

NOTES TO THE CORE ACCOUNTING STATEMENTS

1. ACCOUNTING POLICIES

General Principles and Accounting Concepts

The Statement of Accounts summarises the Council's transactions for the financial year and its position at the year end of 31 March. The Council is required to prepare an annual Statement of Accounts, prepared in accordance with proper accounting practices. These practices primarily comprise of the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The main accounting policies adopted by the Council in preparing the Statement of Accounts are as follows:

1) Accruals of Income and Expenditure

Activity is generally accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract
- Supplies are recorded as expenditure when they are consumed, when there is a gap between the date supplies are received and their consumption they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instruments rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- In the case of periodic receipts and payments, where it does not materially affect the accounts and a full year's income and expenditure is recorded, an accrual does not need to be raised

The Code of Practice on Local Authority accounting for 2018/19 was revised to take into account the latest International Financial Reporting Standards (IFRS), IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with Customers coming into effect.

IFRS 9 includes a single classification approach for financial assets driven by cash flow characteristics and how an instrument is managed, and a "forward looking" "expected loss" model for impairment rather than the previous "incurred loss" model.

IFRS 15 introduces a five-step process for recognising revenue based on the transfer of control rather than the previous risk and reward.

Both of these changes have been considered as part of the preparation of the Council's accounts for 2018/19 and neither are considered to have a material impact on the financial statements.

Where the Council is due to receive income from contractual arrangements with its customers, it is required to consider the following 5 steps before disclosing income:

1. Identify the contract with a service recipient
2. Identify all the individual performance obligations within the contract
3. Determine the transaction price
4. Allocate the price to the performance obligations
5. Recognise revenue as the performance obligations are fulfilled

If these are deemed to be applicable to any existing arrangements, income will not be recognised in the financial statements until the relevant performance obligations have been met.

2) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments held for the purpose of settling liabilities in the short-term and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3) Exceptional items

When specific items of income and expenditure are individually material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement (CIES) or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

1. ACCOUNTING POLICIES cont.**4) Charges to Revenue for Non-Current Assets**

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non current assets during the year:

- Depreciation attributable to the assets used by the relevant service.

Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

- Amortisation of intangible assets attributable to the relevant service.

The Council is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. Depreciation, revaluation and impairment losses and amortisation are replaced by an equal contribution in the General Fund balance, by way of an adjusting transaction with the Capital Adjustment Account, recorded in the Movement in Reserves Statement (MiRS).

5) Government Grants and Other Contributions

Whether paid on account by instalments or in arrears, government grants, third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line or Taxation and Non-Specific Grant Income in the Comprehensive Income and Expenditure Statement. Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account.

6) Council Tax and Non-domestic Rates

Maldon District Council is a billing authority and acts as agents, collecting council tax and non-domestic rates (NDR) on behalf of major preceptors (including government for NDR), which includes Essex County Council, Essex Fire Authority, Council Tax for Essex Police and Crime and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (ie the Collection fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than expected.

Accounting for Council Tax and NDR

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the councils share of accrued income for the year. However, regulations determine the amount the council tax and NDR that must be included in the councils General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the councils share of the end of year balances in respect of council tax and NDR relating to arrears, impairment for doubtful debts, overpayments and prepayments and appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from past event that payments due under the statutory arrangements will not be made (fixed or determinable payments), the asset is written down and a charge made to the Collection Fund. The impairment loss is measured as the

7) Employee Benefits**- Benefits Payable During Employment**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave and non-monetary benefits for current employees. They are recognised as an expense for services in the year in which employees render their services to the Council.

An accrual is made for the cost of holiday entitlements, flexi time and time off in lieu earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is an estimation based on the historical cost of outstanding leave after giving consideration to the risk of any material misstatement. The accrual is charged to Surplus/Deficit on the Provision of Services in the financial year in which the absences are accrued and it is then reversed out through the Movement in Reserves Statement so there is no impact on Council Tax.

- Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. They are charged on an accruals basis to the relevant service line in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises the costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the accounting basis debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable unpaid at the year end.

1. ACCOUNTING POLICIES cont.**7) Employee Benefits cont'd***- Post Employment Benefits*

Employees of the Council are members of the Local Government Pension Scheme, administered by Essex County Council. The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Essex Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method (i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees based on assumptions about mortality rates, employee turnover rates etc. and earnings for current employees).
- Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on high quality corporate bonds).
- The assets of Essex pension fund attributable to the Council are included in the Balance Sheet at their fair value:
 - quoted securities: current bid price
 - unquoted securities: professional estimate
 - unitised securities: current bid price
 - property: market value.
- The change in the net pensions liability is analysed into the following components:

Service cost comprising:

 - Current service cost: the increase in liabilities as a result of the year of service earned this year. This is allocated in the Comprehensive Income and Expenditure Statement to the services for which the Council employees worked.
 - Past service costs: the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years. These are debited to the surplus/deficit on the provision of services in the Comprehensive Income and Expenditure Statement as part of Resources Directorate.
 - Net interest on the net defined benefit liability (asset): the change during the period in the net defined benefit liability that arises from the passage of time, charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period; taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

Remeasurements comprising:

 - The return on plan assets: excluding amounts included in net interest on the defined benefit liability. This is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
 - Actuarial gains and losses: changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. These are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Contributions paid to the Essex Pension Fund: cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense for the

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standard. This means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the Pension fund. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

1. ACCOUNTING POLICIES cont.**7) Employee Benefits cont'd***- Discretionary Benefits*

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

8) Events after the Reporting Period

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period (on 31 March) and the date when the Statement of Accounts are authorised for issue.

Two types of post Balance Sheet events can be identified:

- Adjusting events are those that provide evidence of conditions that existed at the Balance Sheet date. Where material, the Statement of Accounts is adjusted to reflect the impact of such events.
- Non-adjusting events are those that are indicative of conditions that arose after the Balance Sheet date. The Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, additional disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date the Statement of Accounts is authorised for issue are not reflected in the Statement of Accounts.

9) Financial Instruments*- Financial Liabilities*

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost.

The Council does not have any borrowing. Trade payables (creditors) are disclosed at fair value.

- Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics.

There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI) - not applicable to the Council for 2018/19.

The Councils business model is to hold investments to collect contractual cash flows.

Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (ie where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivables are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the authority, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The authority recognises expected credit losses on all its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the authority.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The Council has one loan made to a charitable trust. This loan was made to support the charitable trust at Stow Maries Great War Aerodrome the site has significant natural heritage value and is in Natural England's Higher Level Environmental Stewardship scheme.

Financial Assets Measured at Fair Value through Profit or Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques.

- instruments with quoted market prices - the market price
- other instruments with fixed and determinable payments - discounted cash flow analysis

Available for sale assets are recognised on the Balance Sheet when the Council becomes party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where fixed and determinable payments exist, annual credits made to the financing and investment income within the CIES for interest receivable are based on amortised cost of the asset multiplied by the effective interest rate. The fair value of available for sale assets is based on market price. As the Council only used stable net asset value funds fair value is the same as nominal value. Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices - the market price.
 - other instruments with fixed and determinable payments - discounted cash flow analysis.
- The inputs to the measurement techniques are categorised in accordance with the following three levels:
- Level 1 inputs - quoted prices (unadjusted) in active markets for identical assets that the authority can access at the measurement date.
 - Level 2 inputs - inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
 - Level 3 inputs - unobservable inputs for the asset.

10) Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or if the asset is held for sale. Investment properties are measured initially at cost and subsequently at Fair Value (see below).

Properties are not depreciated but are revalued or reviewed annually to a year-end value.

As a minimum investment properties, regardless of leases, will be revalued every 5 years along with other classes of assets.

Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line. Directly attributable operating expenses related to investment properties are debited to the Financing and Investment Income line. Revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve (for the sale proceeds).

1. ACCOUNTING POLICIES cont.**11) Intangible Assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events are capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible assets are held by the Council which meet this criteria, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the Comprehensive Income and Expenditure Statement. Intangible assets are depreciated using the straight line method over 3 – 7 years.

12) Fair Value (FV) Measurement

The authority measures some of its non-financial assets, e.g. surplus assets and investment properties and certain financial instruments at FV at each reporting date. See the Glossary for the definition of FV. This authority had only 3 investment properties for 2018/19.

The authority is required to measure the FV of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the FV of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the authority's financial statements are categorised within the fair value hierarchy, as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

13) Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification. Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

1. ACCOUNTING POLICIES CONT.**a) Finance Leases - Lessee**

Property, Plant and Equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at the lower of its fair value measured at the lease inception and the present value of the minimum lease payments. The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Finance lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment which is applied to write down the lease liability, and
- a finance charge which is debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life and where ownership of the asset does not transfer to the Council at the end of the lease period.

b) Operating Leases - Lessee

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment.

c) Finance Leases - Lessor

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. The written-off value is appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement, so as to mitigate any impact on Council Tax.

A gain on disposal, representing the Council's net investment in the lease, is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement, matched by a long-term debtor asset in the Balance Sheet. The gain is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement.

1. ACCOUNTING POLICIES cont.**13) Leases cont'd**

Finance lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property which is applied to write down the lease debtor including any premiums received, and
- finance income which is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Usable Capital Receipts Reserve.

The Authority do not currently have any finance leases where they act as the lessor.

d) Operating Leases - Lessor

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Comprehensive Income and Expenditure Statement on a straight-line basis over the life of the lease.

14) Property Plant and Equipment (PPE)

Expenditure on the acquisition, creation and enhancement of fixed assets is capitalised in accordance with the accruals concept. The Council's de minimis level for capital expenditure is £10,000.

Expenditure on PPE is capitalised, provided that the fixed asset yields benefit to the Council and the services it provides for a period of more than one year. This excludes expenditure on routine repairs and maintenance on PPE, which does not enhance the asset and is charged direct to service revenue accounts.

14) Property Plant and Equipment (PPE) cont'd

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Council does not have any borrowing costs. The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Large assets are divided into their component parts only if the components have materially different useful lives compared to the rest of the asset. This allows depreciation charges for assets to more accurately reflect the consumption of economic benefit which takes place at different rates for each component. The Council has considered the componentisation of all significant assets and has started to bring this into effect.

The Council has only been able to componentise assets where the valuation information of each component was supplied to them already, or the components have since been replaced subsequent to the componentisation rules coming into effect.

Assets are subsequently carried in the Balance Sheet using the following measurement bases:

- Plant, Vehicles, Furniture and Equipment assets, Infrastructure assets and Community assets: Depreciated Historic Cost
- Other (operational) land and buildings: Current Value, determined as the amount that would be paid for the asset in its Existing Use (EUV).
- Surplus Assets: Fair Value = highest and best use.
- Components of buildings: Depreciated Historic Cost

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of Current Value. Where non-property assets (Plant, Vehicles, Furniture and Equipment assets) that have short useful lives or low values (or, both) depreciated historical cost basis is used as a proxy for Current Value.

1. ACCOUNTING POLICIES cont.**14) Property Plant and Equipment (PPE) cont'd**

Assets included in the Balance Sheet at current or fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their value at the financial year end, but as a minimum every five years. Between quinquennial external valuations views are sought from External Valuers to ensure that the asset values reported in the Statement of Accounts remain materially accurate. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service. Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

15) Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year, Where the council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

16) Impairment

Assets are assessed at each financial year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

17) Depreciation

Depreciation is provided for on assets with a finite useful life (which can be determined at the time of acquisition or revaluation) according to the following policy:

- Newly acquired assets are not depreciated in the first year and assets in the course of construction are not depreciated until they are brought into use.
- Where depreciation is provided for, assets are depreciated using the straight line method over the following periods:

- Buildings (where appropriate)	5 - 60 years
- Infrastructure	5 - 30 years
- Vehicles, Plant & Equipment	3 - 10 years
- Land, including car parks	Not depreciated

18) Disposals of Plant, Property and Equipment.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

All amounts for disposal of assets currently recognised on the balance sheet are categorised as capital receipts. Amounts for other asset disposals in excess of £10,000 are also categorised as capital receipts.

19) Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

20) Contingent Assets

A contingent asset arises where an event had taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

21) Reserves

The Council has the power to keep reserves for certain purposes by setting aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure is incurred that is to be financed from a reserve, it is charged to the appropriate service in that year to be included as expenditure in the Surplus / Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so there is no charge against the General Fund for the expenditure incurred.

Separate earmarked reserves are held by the Council.

Certain reserves are kept by the Council to manage the accounting processes for non-current assets (e.g. Revaluation Reserve and Capital Adjustment Account), retirement benefits (e.g. Pensions Reserve) and employee benefits (e.g. Accumulated Absences Account) and do not represent usable resources for the Council.

22) Impairment Loss of Trade Receivables

IFRS 9 requires the authority to recognise the impairment of Trade Receivables (Debtors) held at amortised cost on the amount of Lifetime Expected Credit Losses using the simplified approach. Impairment losses are calculated to reflect the expectation that there is a likelihood arising based on past events experience that cash received will be lower than the carrying amount for receivables.

Known uncollectable debts have been written off. Allowances are typically estimated on a percentage basis, with the older the outstanding debt the higher the percentage of the debt that is provided for. All allowances are reviewed and recalculated at the end of the accounting period. Allowances are generally netted off against short term debtors on the Balance Sheet.

24) Value Added Tax (VAT)

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

25) Provisions for Appeals against the rateable value of Business Properties

The Local Government Finance Act 2012 introduced a business rates retention scheme that enabled local authorities to retain a proportion of the business rates generated in their area. The new arrangements for the retention of business rates came into effect on 1 April 2013. Billing authorities act as agents on behalf of the major preceptors, central government and themselves and are required to make provisions for refunding ratepayers who have successfully appealed against the rateable value of their properties on the rating list. This will include amounts relating to non-domestic rates charged to businesses in 2012-2013 and earlier financial years.

The Council has established a provision in the accounts for an appeal if it meets the following criteria:

- the authority has a present obligation (legal or constructive) as a result of a past event
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate at the Balance Sheet Date of the expenditure required to settle the present obligation taking risks and uncertainties into account.

2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET ADOPTED

Under The Code of Practice on Local Authority Accounting disclosure of the impact of accounting standards issued but not yet adopted is required. The new standards that would require additional disclosures in the 2018/19 financial statements are as follows:

- Amendments to IAS 40 Investment Property: Transfers of Investment Property
- Annual Improvements to IFRS Standards 2014 - 2016 Cycle
- IFRIC 22 Foreign Currency Transactions and Advance Consideration
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IFRS 9 Financial Instruments: Prepayment Features with Negative Compensation

It is not anticipated that these changes will be relevant to the Council

IFRS 16 Leases - This standard has been issued. Application is required for accounting periods beginning on or after 1 January 2020, but not yet adopted by the code: early adoption is not permitted. The Council is continuing to assess the potential impact on application of the standard. The implications are therefore not yet known and are therefore not quantifiable.

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The only critical judgement made in the Statement of Accounts is in relation to the high degree of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

Government has not pre-announced any future financial settlement for 20/21 and beyond, nor given any indication of future resource levels for local government via a Spending Review. This coupled with an overhaul of the business rate retention scheme for funding and a review of funding allocations via the fair funding and the resources and needs review means the levels of support from Government, in terms of funding, are very uncertain. The Council is in a good position to address this uncertainty via its sound financial management and planning, alongside prudent levels of reserves needed in times of uncertainty. The Council will be monitoring all announcements by Government with respect to its proposals and ensuring that the Council reply to all consultations to ensure the interests of the Council and our residents are strongly represented.

There is further uncertainty over the date of departure for the UK from the European Union but the Council will be monitoring all developments during the year to ensure any potential financial impacts on the Council are anticipated.

4. ASSUMPTIONS ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or events that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2019 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ From Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependant on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate provides the uncertainty that the Council may not be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of the property, plant and equipment assets is reduced, depreciation increases and the carrying amount of the asset falls. It is estimated that the annual depreciation charge would increase by £0.094 million if the useful lives of the Council's buildings were reduced by 1 year.
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries, Barnett Waddingham, is engaged to provide expert advice regarding the assumptions applied in calculating the Council's net pension liability.	The effect on the net pension liability of changes in individual assumptions can be measured. For instance: A 0.1% increase in the discount rate assumption at 31 March 2019 would result in an increase in the Gross pension obligation, increasing this to £75.123 million. - a 1 year addition to the life expectancy assumption at 31 March 2019 would result in an increase in the Gross pension obligation, increasing this to £79.401 million.
Bad Debt Provisions	At 31 March 2019, the Council has included in it's accounts a provision for the impairment of doubtful debts of £0.844 million. However, in the current economic climate this allowance may not be sufficient.	If collection rates were to deteriorate, an increase in the impairment for doubtful debts of 10% would require the Council to set aside an additional £0.149 million as an allowance.
NDR Appeals Provision	At 31 March 2019, the Council has included in it's accounts a provision for appeals on NNDR rates of £1.027 million. However, appeals vary hugely in size and therefore this may not be sufficient.	If the predicted success rate was to alter by just 1%, an additional £0.073 million would be required.

5. MATERIAL ITEMS OF INCOME OR EXPENSE

No other material items of income or expense have occurred that are not already disclosed on the face of the CIES.

6. EVENTS AFTER THE BALANCE SHEET DATE

On 27 June 2019, the Supreme Court refused the Government permission to appeal the McCloud case in respect of age discrimination and pension protection. Barnett Waddingham have calculated a potential balance sheet effect with respect to the Maldon District Council to be 0.7% of total liabilities. As such a contingent liability exists as at 31 March 2019. Based on the year-end liability position of the Fund, the increase in estimated total value of the Fund's promised retirement benefits as at 31 March 2019 would be approximately £0.547million. There have been no other events occurring after the reporting date that would have a material impact on these

7. TRANSFERS (TO)/FROM EARMARKED RESERVES

Separate earmarked reserves are held by the Council.

- **Transformation Reserve:** To provide funds to meet the one-off investment costs of efficiency savings or service reductions to be realised in future years. Also to enable the upfront costs of potential income generating projects.
- **Community Grants :** The Council previously had schemes for awarding grants. The time limits on these grants exceed the financial year in which the budget provision was made, necessitating a reserve to cover the outstanding liabilities.
- **Community Sports Network:** A grant was received from the Government in 2011/12 to support sports networks; this is being utilised year by year as necessary.
- **Heritage Projects:** The Council gives grants in support of environmental initiatives and historic buildings. The time limits for payment of these grants exceed the financial year in which budget provision is made, necessitating a reserve to be set aside to cover the outstanding liabilities.
- **Insurance:** The Council maintains external insurance policies to cover major risks. In many cases the policies have excess clauses that require the Council to meet the first part of each claim. The Council has established this reserve to cover its liabilities under policy excesses and finance any claims for small risks not insured externally.
- **Repairs & Renewals Fund:** To provide funds to support additional revenue / capital costs arising from the need to maintain the Council's asset base.
- **Revenue Commitments:** This reserve exists to smooth out the timing differences between monies being earmarked to fund expenditure from the annual revenue budget and the expenditure actually occurring.
- **Community Infrastructure Levy (CIL) and Local Development Plan (LDP) review:** Following the adoption of the Local Development Plan, this reserve will now fund the work to enable implementation of the CIL, and also to meet the regulations to ensure that the LDP is reviewed regularly.
- **Land Charges:** Government Grant received and has been put aside to support the cost of resolving the legal dispute concerning refunds of local search fees.
- **Preventing Repossessions:** A grant was received from the Government in 2011/12. This funding has been set aside to support future work to be undertaken as part of the Council's Strategic Homeless strategy.
- **Localisation of Council Tax and Business Rates:** The new business rate funding and council tax localisation regime provides significant risk to the Council, especially in the first few years whilst funding cuts are experienced. This reserve has been set up to mitigate the impact of these changes.
- **Business Continuity:** To provide funding for emergency requirements such as salt, sand bags or other business continuity requirements as they arise.
- **Sports Development:** Reserve set aside to fund Sports Development activities.
- **Community Safety:** Reserve set aside to fund Community Safety activities.
- **Economic Development:** Reserve set aside to support economic development activities in the District.
- **Electoral Registration:** Reserve set aside to support Electoral works.
- **LSIP Capacity:** Reserve set aside to support Large Scale Infrastructure Projects.
- **Neighbourhood Plan Applications:** Funding to be utilised in supporting the preparation of neighbourhood plans.
- **Waste Contract Implementation:** Contributions towards the procurement and mobilisation of the new waste contract.
- **Custom and Self Build Grant:** Reserve to support the resource required to maintain and develop the self build and custom housebuilding register
- **Brownfield Grant:** New Burdens funding relating to dealing with development orders for housing development on brownfield land
- **Community Housing Fund Grant:** Reserve to support Community-led housing delivery. Objective is to help deliver affordable housing aimed at first time buyers in response to the problem second homes can cause in reducing supply.
- **FDO External Funding from Plume:** Specific external funding towards the post of Football Development Officer
- **Homeless reduction Act Grant:** Reserve set up to use three years of grant funding for Homelessness Reduction Officer.
- **Pensions Reserve:** To provide a reserve to enable the Authority to forward fund the pension deficit for 3 years in 2020.
- **Business Rates Equalisation Reserve:** This reserve is to counter the timing differences see in Business Rates funding.

7. TRANSFERS (TO)/FROM EARMARKED RESERVES cont.

The following table details the amounts set aside from the General Fund balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from the earmarked reserve to meet General Fund expenditure in 2018/19

	Balance 31-Mar-17 £000's	Transfers Out 2017/18 £000's	Transfers (In) 2017/18 £000's	Balance 31-Mar-18 £000's	Transfers Out 2018/19	Transfers (In) 2018/19 £000's	Balance 31-Mar-19 £000's
Transformation	(765)	-	(948)	(1,713)	961	-	(752)
Community grants	(1)	-	-	(1)	-	-	(1)
Community Sports Network	(9)	1	-	(8)	-	-	(8)
Heritage projects	(8)	-	-	(8)	-	-	(8)
Insurance liability	(60)	-	-	(60)	8	-	(52)
Repairs & renewals fund	(225)	-	-	(225)	39	(17)	(203)
Revenue commitments	(300)	166	-	(134)	126	(319)	(327)
Community Infrastructure levy and LDP review	(406)	171	-	(235)	9	-	(226)
Land Charges	(6)	6	-	-	-	-	-
Preventing Repossessions	(32)	32	-	-	-	-	-
Localisation of CT & NDR	(369)	369	-	-	-	-	-
Business Continuity	(10)	-	-	(10)	-	-	(10)
Sports Development	(13)	-	-	(13)	7	(6)	(12)
Community Safety	(92)	11	-	(81)	8	(3)	(76)
Economic Development	(47)	-	(44)	(91)	70	(5)	(26)
Electoral Registration	(20)	-	-	(20)	-	(10)	(30)
Neighbourhood Plan Applications	(17)	-	(12)	(29)	-	-	(29)
Waste Contract Implementation	(44)	19	-	(25)	10	-	(15)
Custom & Self Build Grant	(21)	21	-	-	-	-	-
FDO external funding from Plume	(2)	-	(1)	(3)	2	-	(1)
Brown Field grant	(15)	15	-	-	-	-	-
Homeless reduction Act Grant	-	-	(30)	(30)	12	-	(18)
Business Rates equalisation	-	-	(533)	(533)	-	-	(533)
Pensions Reserve	-	-	(116)	(116)	-	-	(116)
Community Housing Fund Grant	(191)	35	-	(156)	40	-	(116)
Total Specific Reserves	(2,653)	846	(1,684)	(3,491)	1,292	(360)	(2,559)
General Fund balance	(4,339)	1,112	-	(3,227)	-	(1,542)	(4,769)
Total Revenue Reserves	(6,992)	1,958	(1,684)	(6,718)	1,292	(1,902)	(7,328)

8. PROPERTY PLANT AND EQUIPMENT VALUATION

All freehold and leasehold properties which comprise the Council's property portfolio were valued as at 31 December 2018 by an external independent valuer - Valuation Office Agency in accordance with the RICS Appraisal and Valuation Manual as published by the Royal Institution of Chartered Surveyors.

A statement of reassurance has been provided by the Valuation Office that there will have been no material change in values between the 31 December 2018 and 31 March 2019 so no further revaluations are required.

The value of plant and machinery that is integral to a building is included in the valuation of the building. Properties regarded by the Council as operational are valued on the basis of open market value for the existing use or, where this could not be assessed because there is no market for the subject asset, the depreciated replacement cost. Properties regarded by the Council as non-operational have been valued on the basis Fair Value (open market value). Community assets are assets that the Council intends to hold in perpetuity, that have no determinable useful life and that may have restrictions on their disposal. These are valued at historic cost.

9. PROPERTY, PLANT AND EQUIPMENT

<u>Movements in 2018/19</u>	Other Land & Buildings	Vehicles, Plant & Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Total Tangible Assets
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At 1 April 2018	28,681	6,318	7,017	624	16	42,656
Additions	-	59	153	-	-	212
Disposals	-	(16)	-	-	-	(16)
Revaluation Reserves	490	-	-	-	-	490
Revaluation CIES	338	-	-	-	-	338
At 31 March 2019	29,509	6,361	7,170	624	16	43,680
Depreciation and impairments						
At 1 April 2018	(71)	(3,861)	(4,113)	-	-	(8,045)
Depreciation for year	(73)	(477)	(189)	-	-	(739)
Depreciation on disposals	-	6	-	-	-	6
At 31 March 2019	(144)	(4,332)	(4,302)	-	-	(8,778)
Net Book Value at 31 March 2019	29,364	2,028	2,868	624	16	34,900
Net Book Value at 31 March 2018	28,610	2,457	2,904	624	16	34,613

9. PROPERTY, PLANT AND EQUIPMENT

<u>Movements in 2017/18</u>	Other Land & Buildings	Vehicles, Plant & Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Total Tangible Assets
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At 1 April 2017	27,421	5,997	6,868	624	18	40,928
Additions	43	322	155	-	-	520
Reclassifications	-	-	2	-	(2)	-
Revaluations	1,276	-	-	-	-	1,276
Impairments	(60)	-	(7)	-	-	(67)
At 31 March 2018	28,679	6,319	7,018	624	16	42,657
Depreciation and impairments						
At 1 April 2017	(14)	(3,339)	(3,932)	-	-	(7,285)
Depreciation for year	(57)	(522)	(181)	-	-	(759)
At 31 March 2018	(71)	(3,861)	(4,113)	-	-	(8,044)
Net Book Value at 31 March 2018	28,610	2,457	2,904	624	16	34,613
Net Book Value at 31 March 2017	27,407	2,658	2,936	624	18	33,643

10. CAPITAL COMMITMENTS

At 31 March 2019 the Council has the following outstanding contracts for the construction or enhancement of Property, Plant and Equipment.

2017/18		2018/19
£000		£000
98	Prom Park Winter Car Parking	19
39	CCTV upgrades	69
20	Riverside Park Information Boards	11
25	Replacement of Polling Booths	-
1	Prom Park Road Repairs	-
-	Tip Road Resurfacing	80
-	Community Protection New Vehicle	9
18	E-mail replacement upgrade	18
22	Waste Contract purchase of bins	-
1	Heybridge Cemetery Roof	24
-	New Accessible playsite	43
-	Car Park Machines - Prom & Town Centre	111
-	Splash Park Elements	10
-	I.T Future model	444
224		838

11. INVESTMENT PROPERTIES

The following items of income and expense have been accounted for in the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement.

2017/18		2018/19
£000		£000
(142)	Rental Income	(150)
3	Direct Operating Expenses	4
(139)	Net Gain	(146)

The Council's ability to realise the values inherent in investment property are restricted by tenants security under the Landlords and Tenant Act 1954 and long lease terms with commercial tenants. The Council also has obligations to maintain the fabric of the buildings along with road ways and drainage on two investment properties.

All investment properties are subject to operating leases and rental income is received as above. The value of a leased investment is determined based on the Fair Value which is reviewed each year.

The following table summarises the fair value of investment properties:

2017/18		2018/19
£000		£000
1,833	Balance at the start of the year	1,997
63	Capital Expenditure	1
101	Gain from fair value adjustments	661
1,997	Balance at the end of the year	2,659

Fair value measurement

The fair value for the commercial properties (at market rents) has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local authority area.

Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

In estimating the fair value of the councils investment properties, the highest and best use of the properties is their current use.

Fair values are measured annually at each reporting date. The valuations were carried out by a Senior Surveyor being an RICS Registered Valuer employed by DVS East, Property Specialists for the Public Sector, a commercial arm of the Valuation Office Agency

12. FINANCIAL INSTRUMENTS

Transition to IFRS 9 Financial Instruments

The Council adopted the IFRS 9 Financial instruments accounting standard with effect from 1 April 2018. The main changes include the reclassification and re-measurement of financial assets and the earlier recognition of the impairment of financial assets.

The council has made use of the transitional provisions in IFRS 9 to not restate the prior year's financial statements and disclosures. The adoption of the new standard has had no material impact on the Council and consequently there is no change to the General Fund balance at 1 April 2018.

The Council invests in low volatility net asset value money market funds, which can be withdrawn at anytime, and as such there is no significant difference between fair value and amortised cost. All financial assets and liabilities are therefore carried at amortised cost i.e. the aggregate of the principle sum and accrued interest. The valuation basis adopted in Where an instrument will mature within the next 12 months the carrying amount is assumed to be approximate to fair value;

For all other financial assets and liabilities the carrying amount is considered to be an appropriate measure of fair value.

Classifications

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that are potentially unfavourable to the Council.

The councils non-derivative financial liabilities held during the year are measured at amortised cost and comprised:

- trade payables for goods and services received
- finance leases

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash or equity and other instruments or a contractual right to receive cash or another financial asset or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. The financial assets held by the Council during the year are held under the following two classifications.

Loans and receivables (financial assets that have fixed or determinable payments and are not quoted in an active market) comprising:

- cash in hand
- bank current and deposit accounts with NatWest bank
- fixed term deposits with banks
- trade receivables for goods and services delivered

Fair value through profit and loss (all other financial assets) comprising

- money market funds managed by fund managers
- certificates of deposit and covered bonds issued by banks and building societies
- pooled property funds managed by CCLA fund managers

Financial assets held at amortised cost are shown net of a loss allowance reflecting the likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

Investments , Cash and Cash Equivalents

Financial Assets at Amortised Cost

Available for sale Financial Assets

Total Investments**Debtors**

Financial Assets at Amortised Cost

Loans and Receivables

Total Debtors**Creditors**

Financial Liabilities at Amortised Cost

Total Creditors

Non-Current		Current	
31 March	31 March	31 March	31 March
2019	2018	2019	2018
£000	£000	£000	£000
4,940	4,932	7,877	6,823
-	-	2,000	1,000
4,940	4,932	9,877	7,823
-	-	357	1,352
277	226	-	-
277	226	357	1,352
905	1,131	2,428	1,726
905	1,131	2,428	1,726

In the light of the adoption of IFRS 9, the council continues to review its classification of creditors and debtors as trade payables and receivables. Prior year comparatives have not been restated as IFRS 9 is effective from 1 April 2018.

12. FINANCIAL INSTRUMENTS cont.**Offsetting Financial Assets and Liabilities**

Financial assets and liabilities are set off against each other where the Council has a legally enforceable right to set off and it intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The council had no other financial assets or liabilities subject to an enforceable master netting arrangement or similar agreement.

(b) Financial Instruments - Gains & Losses

The income & expenditure recognised in the surplus or deficit on the provision of services in relation to financial instruments consists of the following items:

2017/18		2018/19	
Financial Liabilities Measured at Amortised Cost	Financial Assets Loans and Receivables	Financial Liabilities Measured at Amortised Cost	Financial Assets Measured at Amortised Cost
£000	£000	£000	£000
(6)	-	-	-
-	237	-	296
(6)	237	0	296
Interest Expense		Interest Income	
Net Gain / (Loss) for the year		Net Gain / (Loss) for the year	

(C) Financial Instruments - Fair Values and Carry Amounts

Financial assets classified as loans and receivables and all non-derivative financial liabilities are carried in the Balance sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2019, using the following methods and assumptions:

- The fair value of long term loans and investments would have been discounted at the market rates for similar instruments with similar remaining terms to maturity.
- No early repayment or impairment is recognised for any financial instrument.
- Where an instrument will mature in the next 12 months, the carry amount is assumed to be fair value.
- Finance lease liabilities are measured at their present value discounted using the interest rate implicit within the lease agreement.
- The fair value of short term instruments, including trade payables and receivables is assumed to approximate to the carrying value.

The carry amount and fair values of the Council's Investments are as follows:

2017/18		2018/19	
Carry Amount	Fair Value	Carry Amount	Fair Value
£000	£000	£000	£000
4,932	4,888	4,967	4,938
	Long Term Investments		
1,000	1,000	2,000	2,000
	Available for Sale		
5,500	5,500	6,205	6,205
	Short Term Investments		
11,432	11,388	13,172	13,143
Total Financial Assets		Total Financial Assets	

(d) Nature and Extent of Risks arising from Financial Instruments

The Council has adopted CIPFA's Code of Practice on Treasury Management and complies with The Prudential Code of Capital Finance for Local Authorities.

As part of the adoption of the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with Financial Instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks.

The Treasury Management Strategy includes an Annual Investment Strategy in compliance with the Government's Investment Guidance to local authorities. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Strategy, together with its Treasury Management Practices are based on seeking the highest rate of return consistent with the proper levels of security and liquidity.

The Council's activities in financial instruments expose it to a variety of risks:

- Credit Risk: The possibility that one party to a financial instrument will fail to meet their contractual obligations, causing a loss to the other party.
- Liquidity Risk: The possibility that a party will be unable to raise funds to meet the commitments associated with Financial Instruments.
- Market Risk: The possibility that the value of an instrument will fluctuate because of changes in interest rates, market prices etc.

The Council's overall risk management procedures focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on resources available to fund services. Risk Management is carried out by the exchequer team under the direction of the Director of Resources

12. FINANCIAL INSTRUMENTS cont.**Credit Risk : Investments**

The Council manages credit risk by ensuring that investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long term credit rating of A-, UK government, other Local authorities and organisations without credit ratings upon which the Council has received independent investment advice

The table below summarises the nominal value of the Council's investment portfolio at the end of each financial year:

Financial year:						
Credit Rating*	Short Term	Long Term	Investments	Short Term	Long Term	Credit Rating*
	Balance as at	Balance as at		Balance as at	Balance Invested as at	
	31-Mar-18 £000	31-Mar-18 £000		31-Mar-19 £000	31-Mar-19 £000	
Money Market Funds						
Unrated	-	2,911	Local Authorities Property Fund	-	2,987	Unrated
Unrated	-	1,977	Investec Diversified Inc Fund	-	1,951	Unrated
AA-	1,500	-	GSAM	-	-	AA-
AA	-	-	Deutsche	1,200	-	AA-
A+	2,000	-	Federated	3,005	-	A+
Banks						
A	-	-	Lloyds / Bank of Scotland	-	-	A
A	2,000	-	Barclays	2,000	-	A
	<u>5,500</u>	<u>4,888</u>	Total Banks	<u>6,205</u>	<u>4,940</u>	
Credit Rating*	Short Term	Long Term	Available for Sale	Short Term	Long Term	Credit Rating*
	Balance as at	Balance as at		Balance as at	Balance Invested as at	
	31-Mar-18 £000	31-Mar-18 £000		31-Mar-19 £000	31-Mar-19 £000	
Certificates of Deposit						
A+	1,000	-	Rabobank	-	-	AA-
	-	-	Nordea	2,000	-	
	<u>1,000</u>	<u>-</u>	Total Banks	<u>2,000</u>	<u>-</u>	

For Deposits held as cash and cash equivalents please refer to note 15.

A limit of £2m is placed on the amount of money that can be invested with a single counterparty (other than the UK government or Money Market Funds) The Council also sets limits on investments in certain sectors. No more than £5m in total can be invested for a period longer than one year.

The Council's maximum exposure to credit risk in relation to its investments in banks and building societies of £7m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2019 that this was likely to crystallise.

The table below summarises the credit risk exposure of the council's investment portfolio by credit rating.

Credit Rating	Long Term		Short Term	
	31-Mar-19 £000	31-Mar-18 £000	31-Mar-19 £000	31-Mar-18 £000
AA-	-	-	3,200	1,500
AA	-	-	-	-
A+	-	-	3,005	3,000
A	-	-	2,000	2,000
Unrated pooled Funds	4,940	4,888	-	-
Total Investments	4,940	4,888	8,205	6,500

* This reflects the lowest Credit Rating (or equivalent rating) from those provided by Fitch, Moody and S&P.

12. FINANCIAL INSTRUMENTS cont.**Credit Risk : Investments (cont.)**

The Council has no historical experience of counterparty default.

No breaches of the Council's counterparty criteria occurred during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Council generally allows 14 days credit for its debtors; £290,851 is past its due date for payment at the 31st March 2019. The past due amount can be analysed as follows:

31-Mar-18	31-Mar-19
£000	£000
364 Less than three months	232
53 Three to twelve months	26
16 More than a year	33
433 Total	291

Liquidity

Liquidity risk is managed by cash flow forecasting of the current financial year, combined with limits on fixed investments for periods of more than a year and an authorised borrowing limit for unforeseen emergencies. Both are specified annually in accordance with the prudential indicator requirements.

The Council does not currently have any borrowing, but should it be needed can access funds from the Public Works Loan Board (PWLb). There is no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments.

Market Risk**(1) Interest Rate Risk:**

The Council is exposed to risk in terms of its exposure to investment interest rate movements. Most investments are made for fixed periods and therefore changes in market rates during the investment period can lead to the fair value of an investment being higher or lower than its carrying value. Investment decisions through Treasury Management activity seek to manage this risk as much as possible by taking a view on investment interest rate trends. Investment deposits are committed only for short term thus minimising this risk.

Sensitivity Analysis

If variable interest rates had been 1% higher with all other variables held constant the financial effect would be a decrease in the deficit on the provision of services in the CIES of £62K.

If there was a decrease in variable interest rates from 0.724% to 0% there would be an increase in the deficit on the provision of services in the CIES of £45K.

(2) Price risk:

The Council does not invest in equity shares or gilts and therefore is not subject to any price risk (i.e. the risk that the Council will suffer loss as a result of adverse movements in the price of financial instruments).

(3) Foreign exchange risk

The Council has no financial asset or liabilities denominated in a foreign currency. It therefore has no exposure to loss arising as a result of adverse movements in exchange rates.

13 DEBTORS**(a) DEBTORS**

31-Mar-18		31-Mar-19
£000		£000
2,038	Trade Debtors	1,476
1,132	Other Debtors	731
3,170	Total	2,207

(b) DEBTORS FOR LOCAL TAXATION

The past due but not impaired amount for local taxation (council tax and non-domestic rates) can be analysed

31-Mar-18		31-Mar-19
£000		£000
185	Less than three months	245
0	Three to six months	0
0	Six months to one year	0
135	More than one year	129
320		374

14. LONG TERM DEBTORS

	Balance	New	To Short	Balance
	31-Mar-18	Advances	Term	31-Mar-19
	£000	£000	Debtors	£000
Loans issued	63	-	(13)	50
Charges against Property	163	64	-	227
	226	64	(13)	277

15. CASH AND CASH EQUIVALENTS

The balance of Cash and Cash Equivalents is made up of the following elements:

31-Mar-18		31-Mar-19
£000	Cash held by the Council	£000
1,316	Bank Current Accounts	1,668
4	Cash in Hand	4
5,503	Short term deposits	6,205
6,823	Total Cash and Cash Equivalents	7,877

16. CREDITORS

31-Mar-18		31-Mar-19
£000		£000
2,879	Trade Payables	2,833
1,399	Other Payables	2,189
4,278	Total	5,022

17. (a) USABLE RESERVES

See Movement in Reserves Statement Pages 17 to 19 inclusive

17. (b) UNUSABLE RESERVES

Opening and closing balances for all the Unusable Reserves detailed below are disclosed on the face of the Balance Sheet while full movements for the year are detailed in the Movement In Reserves Statement

31-Mar-18	31-Mar-19
£000	£000
25 Revaluation Reserve	33
(187) Capital Adjustment Account	(1,070)
19 Deferred Capital Receipts Account	-
182 Pensions Reserve	2,521
(336) Collection Fund Adjustment Account	390
(65) Available for Sale Reserve	(6)
- Accumulated Absences Account	(28)
<u>(362) Total Unusable Reserves</u>	<u>1,840</u>

Revaluation Reserve

The revaluation reserve holds individual balances for each asset where an increase in value has occurred. These balances are reduced when the assets are revalued downwards, impaired, used in the provision of services or disposed of and the balance realised. The revaluation reserve only contains gains accumulated since 1 April 2007, the date it was created. Gains before this date are consolidated into the Capital Adjustment Account. This reserve is not available to support spending.

31-Mar-18	31-Mar-19
£000	£000
(12,358) Balance at 1 April	(13,609)
(1,276) Revaluation gain on non current assets	(490)
25 Depreciation of fixed assets	33
<u>(13,609) Balance at 31 March</u>	<u>(14,066)</u>

Capital Adjustment Account

The Capital adjustment account contains the difference between amounts provided for depreciation and impairment of assets and the capital expenditure financed from capital receipts. It also contains revaluation gains accumulated prior to 1 April 2007, the date the revaluation reserve was created. The Capital Adjustment Account is not available to support spending.

31-Mar-18	31-Mar-19
£000	£000
(21,920) Balance at 1 April	(22,107)
38 Amortisation of intangible fixed assets	36
735 Depreciation of fixed assets	706
142 Loss on revaluation	-
(74) Revaluation gain on non current assets	(338)
(392) Reversal of Capital Grants & Contributions Credited straight to services	(502)
341 Revenue Expenditure Funded From Capital Under Statute	437
(101) Revaluation of Investment Assets	(661)
- Net gain/loss on sale of fixed asset	12
(227) Statutory provision for financing	(226)
(649) Capital receipts applied	(534)
<u>(22,107) Balance at 31 March</u>	<u>(23,177)</u>

Deferred Capital Receipts

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. The Council does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Usable Capital Receipts Reserve.

31-Mar-18	31-Mar-19
£000	£000
(19) Balance at 1 April	-
Reversal of Capital Grants & Contributions Credited straight to services	-
<u>- Balance at 31 March</u>	<u>-</u>

Pensions Reserve

The Pensions Reserve is an adjustment account that manages the effects of IAS19 charges made to the Comprehensive Income and Expenditure Statement against the statutory requirements for meeting the cost of retirement benefits from local taxes, as well as absorbing the impact of actuarial gains and losses.

31-Mar-18		31-Mar-19
£000		£000
31,833	Balance at 1 April	26,453
(5,562)	Actuarial gains/losses on pension assets/liabilities	(3,448)
-	Revaluation gain on non current assets	9
2,818	Net charges made for retirement benefits in accordance with IAS19	3,453
(2,636)	Employer's contributions payable to the pension fund and retirement benefits payable direct to pensioners	(932)
26,453	Balance at 31 March	25,535

Collection Fund Adjustment Account

Replaces the collection fund surplus balance attributable to this Authority and reflects the adjustment needed to allow accounting requirements to be reconciled to statutory requirements.

31-Mar-18		31-Mar-19
£000		£000
112	Balance at 1 April	(224)
(336)	Transfers to/(from) Collection Fund Adjustment Account	390
(224)	Balance at 31 March	167

Available for Sale Reserve

This account holds the balance of leave/lieu time earned by employees but not taken at 31 March 2019. Accounting arrangements require leave due to employees to be charged to the Comprehensive Income and Expenditure Statement but not the General Fund.

31-Mar-18		31-Mar-19
£000		£000
178	Balance at 1 April	113
(65)	Transfers to/(from) Available for Sale Reserve	(6)
113	Balance at 31 March	106

Accumulated Absences Account

Changes in the Fair Value of Available for Sale Assets are balanced by a entry in the Available for Sale Reserve.

31-Mar-18		31-Mar-19
£000		£000
79	Balance at 1 April	79
(79)	Employee Benefits Accrued (prior year adjustment)	(79)
79	Employee Benefits Accrued (current year adjustment)	51
79	Balance at 31 March	51

18. MEMBERS' ALLOWANCES

The total attendance allowances paid to Members were as follows:

2017/18		2018/19
£000		£000
219	Basic Allowance	220
14	Other Allowance	9
16	Expenses	12
249	Total	241

19. REMUNERATION OF SENIOR STAFF

The following table shows the remuneration for the Council's senior officers

2018/19	Total Remuneration excluding Pension Contributions	Pension Contributions	Total Remuneration including Pension Contributions
Job Title	£000	£000	£000
Chief Executive	78	6	84
Director of Customers & Community	80	12	92
Director of Planning & Reg Servs	80	12	92
Director of Resources	81	12	93

The salary of the Chief Executive includes a sum for redundancy.

2017/18	Name	Total Remuneration excluding Pension Contributions	Pension Contributions	Total Remuneration including Pension Contributions
Job Title		£000	£000	£000
Chief Executive		106	17	123
Director of Customers & Community		78	12	90
Director of Planning & Reg Servs (from 02/01/08)		19	3	22
Director of Resources (from 06/04/2017)		72	11	83

The post of Director of Planning and Regulatory Services was covered with Interim Consultant arrangements until 30 June 2017.

For this purpose 'remuneration' means all amounts paid to or receivable by an employee and includes employer pension contributions, sums due by way of expenses allowance (so far as those sums are chargeable to UK income tax) and the estimated money value of any other benefits received by an employee other than in cash.

The number of employees - other than senior officers shown in the table above - whose remuneration was in excess of £50,000 was as follows :

2017/18		2018/19
1	£50,000 - £54,999	2
1	£55,000 - £59,999	1
4	£60,000 - £64,999	1
-	£65,000 - £69,999	2
6		6

For this purpose 'remuneration' means all amounts paid to or receivable by an employee excluding employer pension contributions and including sums due by way of expenses allowance (so far as those sums are chargeable to UK income tax) and the estimated money value of any other benefits received by an employee other than in cash. Part time or temporary posts would be included at annualised cost.

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

(a) Exit Package costs band (including special payments)	(b) Number of compulsory redundancies		(c) Number of other departures agreed		(d) Total number of exit packages by cost band ((b + c))		(e) Total cost of exit packages in each band	
	2017 /18	2018/19	2017 /18	2018/19	2017 /18	2018/19	2017 /18	2018/19
£0 - £20,000	1	13		1		14	2,618	136,202
£20,001 - £40,000		3				3		94,459
Total cost included in bandings and in the CIES							2,618	230,661

* The total cost of £230,661 in the table above includes £28,916 for exit packages that have been charged to the authority's Comprehensive Income and Expenditure Statement in the current year.

20. TERMINATION BENEFITS

Termination benefits are amounts payable as a result of either an employer's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept voluntary redundancy in exchange for those benefits.

£390,595 was paid out in termination benefits in 2018/19 in respect of 17 employees. (£2,618 in 2017/18 in respect of 1 employee).

21. AUDIT AND INSPECTION COSTS

The Council incurred the following fees relating to external audit and inspection work. The appointed auditors were Deloitte LLP (Ernst & Young (EY) LLP in 2017/18)

2017/18		2018/19
£000		£000
	Fees payable to Deloitte LLP (EY LLP in 2017/18)	
52	with regard to external audit services carried out for the year	48
13	Fees payable to (EY LLP in 2017/18) for the certification of Grant claims and returns for the year	0
	Fees payable in respect of other services	4
65	Total	52

22. GRANT INCOME

The Council credited the following Capital grants and contributions to the Comprehensive Income and Expenditure Statement - Taxation and Non Specific Grant Income:

It also credited the following Revenue grants and contributions to the Comprehensive Income and Expenditure Statement - Cost of Services:

2017/18	Revenue Grants Credited to Services	2018/19
£000		£000
93	NDR Admin Grant	91
58	Council Tax Admin Grant	56
27	Council Tax Benefit / LCTS Transition	-
145	Housing Benefit Admin Grant	134
14,123	Housing Benefits	13,762
11	Welfare Reform Changes	-
8	Transparency New Burdens	-
42	DCLG New Burdens Grant	-
11	Fraud & Error Reduction Incentive Scheme	-
20	Neighbourhood Plan Pilot Income	-
46	DCLG Homelessness Grant	52
1	Coastal Communities Grant	-
13	Electoral Registration / IER	11
14,598	Total	14,106

23. RELATED PARTY TRANSACTIONS

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council or be controlled or influenced by the Council. The most significant related party transactions with these bodies are disclosed in the precepting bodies in the Collection Fund. Details of financial transactions with these bodies are disclosed in the Comprehensive Income and Expenditure Statement and associated notes.

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2018/19 is shown in Note 18.

In 2013/14 the Council advanced a 10 year loan, totalling £100,000 to Stow Maries Great War Aerodrome Ltd, of which Cllr. A Fluker is a Trustee. £50,000 was outstanding and shown in the balance sheet as at 31/3/19.

Senior Offices with budgetary control had interests in the following companies where we had financial transactions in the year.

Fiona Marshall - shareholder in a local boat yard from whom we received £6,180 foreshore rent in 2018/19.

Shirley Hall - D Hall Electrical (owned by officers son) expenditure in 2018/19 of £6,072

A Register of Members Interests is held by the Council; in this document members set out details of their interests, as required by the Localism Act 2011 and also by the Council's Code of Conduct.

This information is published on the Council's website (www.maldon.gov.uk), using the search term 'Register of Interests'.

24. CAPITAL EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2019

	Vehicles, Plant & Equipment	Intangible Assets (Software Licences)	Land and Buildings	Infra- structure	Revenue Funded from Capital Under Statute	Renovation Loans	Total
	£000	£000	£000	£000	£000	£000	£000
Operational Assets							
Prom Park entrance Refurbishment				1			1
New Accessible Playsite				5			5
Car Park Machines Prom & Maldon	4						4
Town Centre							
Waste Contract Purchase of Bins	22						22
PC & Printer Replacement Programme	14						14
I.T Network		4					4
I.T Contact Centre		160					160
I.T Digital Platform		9					9
I.T Windows 10		104					104
I.T Upgrades and API's		11					11
I.T Email replacement project		(9)					(9)
Coastal Trail		5		61			66
Heybridge Cemetery Chapel roof				3			3
Riverside Park Footpaths				1			1
New Car Parks signage (Town & Prom)	4						4
Replacement polling booths	7						7
Riverside Pk Information boards	9						9
Prom Park Road Repairs				3			3
All Weather Prom Car Parking Improvements				79			79
Minor Repair					1		1
Investment Properties							
99 Wood Road			1				1
Total for Y/E 31 March 19	60	284	1	153	1	0	496
Total for Y/E 31 March 18	322	54	105	155	373	12	1,021

25. FINANCING OF CAPITAL EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2019

The above expenditure was financed in the following ways:

2017/18			2018/19		
Capital £000	REFCUS £000	Total £000	Capital £000	REFCUS £000	Total £000
573	-	573	400	-	400
53	373	426	66	437	503
22	-	22	2	-	2
648	373	1,021	468	437	905

Usable capital receipts applied
Government grants
Other grants and contributions

Capital Financing Requirement (CFR):

2017/18 £000		2018/19 £000
-	Opening CFR	-
1,021	Capital Investments	496
(1,021)	Capital Financing	(905)
-	Closing CFR	(409)

26. LEASES.**OPERATING LEASES****The Council as a Lessor**

The Council leases out property and equipment under operating leasing for the following purposes:

- for economic development purposes to provide suitable affordable accommodation for local businesses
- for the provision of community services such as river leases.

Income the Council is expecting to receive from minimum lease rental payments is analysed as:

31-Mar-18 £000		31-Mar-19 £000
420	Not later than one year	404
1,392	Later than one, and not later than five years	1,390
11,216	Later than five years	10,911
13,028	Total	12,705

FINANCE LEASES**The Council as a Lessee**

The Council effectively "leases" Refuse vehicles indirectly through its contract with Suez as they use their vehicles solely on the Council's behalf. These are known as "embedded leases".

The assets acquired under these leases are carried as property, plant and equipment in the Balance Sheet at the following net amounts.

31-Mar-18 £000		31-Mar-19 £000
1,358	Embedded Leases	1,130
1,358		1,130

The Council's exposure to these minimum "embedded" lease payments is summarised below:

31-Mar-18 £000		31-Mar-19 £000
226	Current	226
1,131	Non - current	905
18	Finance costs payable in future years	13
1,375	Minimum lease payments	1,144

The minimum lease payments will be payable over the following periods:

	Minimum Lease Payments		Finance Lease Liabilities	
	31-Mar-18 £000	31-Mar-19 £000	31-Mar-18 £000	31-Mar-19 £000
Not later than one year	231	231	226	226
Later than one year and not later than five years	1,144	914	1,131	905
	1,375	1,145	1,357	1,131

27. DEFINED BENEFIT PENSION SCHEME**Participation in Pension Schemes**

As part of the terms and conditions of employment of its officers and other employees, the Council makes contributions to the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments, which needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme, administered by Essex County Council. This is a funded defined benefits final salary/career average scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

Transactions Relating to Post-Employment Benefits

The cost of retirement benefits are recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required against Council Tax is based on the cash contributions payable to the Pension Fund in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

2017/18 £000		2018/19 £000
	Service Cost	
1,976	Current service cost	2,768
17	Past service cost (including curtailments and administration)	968
1,993	Total Service Cost	3,736
	Financing and Investment Income and Expenditure	
825	Net Interest on the Net Pension Liability	665
2,818	Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	4,401
	Remeasurements of the Net Defined Liability Comprising:	
(2,020)	Return on plan assets excluding amounts included in net interest	(2,691)
-	Changes in demographic assumptions	(4,210)
(3,542)	Changes in financial assumptions	3,453
	Other	
(5,562)	Total remeasurements recognised in other comprehensive income	(3,448)
(2,744)	Total Post Employment Benefits Charged to the Comprehensive Income and	953
	Movement in Reserves Statement	
(2,818)	Reversal of net changes made to the surplus or deficit on the provision of services	(4,401)
2,636	Employers' Contributions Payable to the Scheme	932
(182)		(3,469)

Future Employer Contributions will be subject to the triennial review that is currently underway.

27. DEFINED BENEFIT PENSION SCHEME cont.**Pensions Assets and Liabilities Recognised in the Balance Sheet**

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit scheme is as follows:

2017/18	2018/19
£000	£000
(73,025) Present value of funded liabilities	(75,134)
48,068 Fair value of employer assets	50,972
(1,496) Present value of unfunded liabilities	(1,373)
(26,453) Net Liability Arising From Defined Benefit Obligation	(25,535)

Reconciliation of the Movements in Fair Value of Scheme Assets
Transactions Relating to Post-Employment Benefits

2017/18	2018/19
£000	£000
43,766 Opening fair value of scheme assets	48,059
1,196 Interest income	1,213
Remeasurement gain	
2,020 Return on plan assets excluding amounts included in net interest	2,691
Other actuarial gains/(losses)	
(17) Administration expenses	(20)
2,636 Contributions from employer	932
347 Contributions from employees into the scheme	337
(1,884) Benefits paid	(2,240)
48,064 Closing Fair Value of Scheme Assets	50,972

Reconciliation of Present Value of Scheme Liabilities (Defined Benefit Obligation)

2017/18	2018/19
£000	£000
75,602 Opening fair value of scheme liabilities	74,521
1,976 Current service cost	1,820
2,021 Interest cost	1,878
347 Contributions from scheme participants	337
Remeasurement gain	
Changes in demographic assumptions	(4,210)
(3,542) Changes in financial assumptions	3,453
(113) Other	(115)
Past service cost	948
(1,771) Benefits paid	(2,125)
74,520 Closing Fair Value of Scheme Liabilities	76,507

Defined Benefit Pension Scheme Risks

In general, participating in a defined benefit pension scheme means that the Council is exposed to a number of risks:

- Investment risk: the Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- Interest rate risk: the Fund's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
- Inflation risk: all of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.
- Longevity risk: on the event that the members live longer than assumed a deficit will emerge on the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Essex Pension Fund, there is an orphan liability risk where employers leave the Fund with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the above may also benefit the Council e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

27. DEFINED BENEFIT PENSION SCHEME cont.**Basis for Estimating Assets and Liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Barnett Waddingham LLP, an independent firm of actuaries, estimates for the Essex County Council Fund being based on the latest valuation of the scheme.

The principal assumptions used by the actuary have been:

2017/18	Assumptions	2018/19
Long term expected rate of return on assets in the scheme:		
Longevity at 65 for current pensioners:		
22.2 Years	Men	21.3 Years
24.7 Years	Women	23.6 Years
Longevity at 65 for future pensioners:		
24.4 Years	Men	22.9 Years
27.0 Years	Women	25.4 Years
Financial assumptions:		
3.3%	RPI increases	3.4%
2.3%	CPI increases	2.4%
3.8%	Rate of increase in salaries	3.9%
2.3%	Rate of increase in pensions	2.4%
2.6%	Rate for discounting scheme liabilities	2.4%

The Discretionary Benefits arrangements have no assets to cover its liabilities.

The Scheme's assets consist of the following categories, by proportion of the total assets held:

2017/18			2018/19	
£000	%		£000	%
31,366	65	Equities	31,735	62
3,197	7	Gilts	2,705	5
1,785	4	Other Bonds	2,979	6
4,559	9	Property	4,532	9
1,653	4	Cash	1,342	3
3,550	7	Alternative Assets	4,970	10
1,949	4	Other	2,709	5
48,059	100	Total	50,972	100

Based on the above, Maldon District Council's share of the assets of the total Essex Pension Fund is approximately 1%.

Sensitivity Analysis: present value of total obligation

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant.

The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

2017/18			Adjustment to:	2018/19		
£000	£000	£000		£000	£000	£000
+0.1%	0.0%	-0.1%	discount rate	+0.1%	0.0%	-0.1%
73,174	74,521	75,893		74,586	75,960	77,361
+0.1%	0.0%	-0.1%	long term salary increase	+0.1%	0.0%	-0.1%
74,668	74,521	74,375		76,115	75,960	75,806
+0.1%	0.0%	-0.1%	pension increases & deferred revaluation	+0.1%	0.0%	-0.1%
75,749	74,521	73,316		77,205	75,960	74,738
+1 Year	None	-1 Year	mortality age rating assumption	+1 Year	None	-1 Year
77,346	74,521	71,802		78,835	75,960	73,192

28. CONTINGENT LIABILITIES**Planning Appeals (Award of Costs)**

As a local planning authority, decisions are made in relation to planning applications; there is a process in place which enables appeals to be made against these decisions. Historically some of the appeals that have been lodged have been upheld and have resulted in costs being awarded against the Council. A provision has been made, below, in relation to appeals that have been upheld and where there is an expectation of costs being awarded against the Council. Where an appeal decision has not yet been made there is also potential that the Council may incur future costs, however at this stage it remains improbable and is not quantifiable.

29. PROVISIONS

	2017/18	Additional Provisions made	Amounts Utilised in 2018/19	Unused amounts reversed	2018/19
	£000	£000	£000	£000	£000
Short Term: < 1 year					
Planning Appeals	74	0	(7)	(13)	54
Business Rate Appeals	577	640	(189)	0	1,027
Total Short Term	651	640	(196)	(13)	1,082
Long Term: > 1 year					
Insurance	100	-	-	-	100
Total Long Term	100	-	-	-	100
Total Provisions	751	640	(196)	(13)	1,182

Insurance

This provision is for the coverage of probable insurance claims under the Municipal Mutual Insurance Scheme (MMI) Clawback Scheme of Arrangement. MMI ceased accepting new claims in 1992, however under the scheme of arrangement, the Council are liable for a proportion of costs that aren't covered in full by MMI.

Planning Appeals

See also above, provision is made where there is a probable obligation.

Business Rates Appeals

Provision is made for outstanding rating appeals based on information supplied by the Valuation Office, as well as for appeals which are as yet unlogged.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MALDON DISTRICT COUNCIL

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion the financial statements of Maldon District Council ('the Authority'):

- give a true and fair view of the financial position of the Authority as at 31 March 2019 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.

We have audited the financial statements which comprise:

- the Comprehensive Income and Expenditure Statement;
- the Balance Sheet;
- the Movement in Reserves Statement;
- the Cash Flow Statement;
- the Collection Fund; and
- the related notes 1 to 29

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting 2018/19.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Chief Financial Officer's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Chief Financial Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Chief Financial Officer is responsible for the other information. The other information comprises the information included in the statement of accounts, other than the financial statements and our

auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Chief Financial Officer's responsibilities

As explained more fully in the Chief Financial Officer's responsibilities statement, the Chief Financial Officer is responsible for: the preparation of the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting on the assumption that the functions of the Authority will continue in operational existence for the foreseeable future.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in December 2019, we are satisfied that, in all significant respects, Maldon District Council

put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in [insert month, year], as to whether Maldon District Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether Maldon District Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- any matters have been reported in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of, the audit;
- any recommendations have been made under Section 24 of the Local Audit and Accountability Act 2014;
- an application has been made to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014;
- an advisory notice has been issued under Section 29 of the Local Audit and Accountability Act 2014; or
- an application for judicial review has been made under Section 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Maldon District Council in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice issued by the National Audit Office.

USE OF OUR REPORT

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Authority, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Authority, as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Wisdom (Appointed auditor)
For and on behalf of Deloitte LLP
St Albans, United Kingdom
Date:

GLOSSARY

Accounting Policies

Those principles, bases, conventions, rules and practices applied by an entity that specify how the effects of transactions and other events are to be reflected in its financial statements through:

- recognising;
 - selecting measurement bases for; and
 - presenting
- assets, liabilities, gains, losses and changes to reserves

Accruals Concept

Income and expenditure is recognised where it is earned or incurred, not when money is received or paid.

Accumulated Absences

Holiday entitlements, or any other form of leave such as time off in lieu earned by employees, which has not been taken by the end of the financial year and can be carried forward to the next financial year.

Actuarial Gains and Losses

For a defined benefit pension scheme, actuarial gains and losses are the changes in the actuarial surplus/deficits which arise because either events have not coincided with previous actuarial assumptions or where actuarial assumptions have changed.

Actuary

An expert who advises on the cost of pensions and determines whether the Pension fund is adequate to meet its commitments.

Amortisation

Spreading the cost of an intangible asset over the expected periods of its use and benefit to the Council.

Appropriations

The transfer of resources between revenue/capital accounts and the reserves held by the Council.

Assets Held for Sale

Non-current assets which are no longer required by the Council and are marketed for sale/disposal

Capital Adjustment Account (CAA)

An account which reflects the timing difference between the charges to the CIES account for the use of non-current assets to provide services over a number of years, and actual funds set aside to pay for the original cost of assets.

Capital Expenditure

Expenditure relating to the acquisition or enhancements of property, plant & equipment assets, heritage assets, intangible assets and investment property and certain other items meeting the definition of capital expenditure under statute.

Capital Financing Requirement

This is a measure of the Council's need to borrow funds to pay for capital expenditure.

Capital Receipts

Proceeds from the sale of an asset. Sums received and not yet used for further capital expenditure are held in the Usable Capital Receipts reserve.

Capital Programme

The council's budget for capital expenditure and resources over the current and future years. Income generated from the sale of capital assets and the repayment of grants/loans given for capital purposes. The government prescribes the amount of the receipt which must be set aside to repay debt and the usable amount which may be used for finance capital expenditure.

Cash and Cash Equivalents

Cash available at immediate notice and short-term investments readily convertible to cash without risk to the principal sum.

Collection Fund

A fund administered by the Council recording receipts from Council Tax and Business Rates, and payments to the General Fund and other public authorities, including Central Government.

GLOSSARY CONT.**Commitments**

Budget provision for specific items that are committed or planned for a year where the specific goods or services are not received by 31 March and for which there is no provision in the following year. Such budgets may be formally 'carried forward' to the following year to match the committed or planned expenditure.

Community Assets

Assets that the Council does not plan to sell and which have no definite useful life. Examples of community assets are parks and historic buildings.

Contingent**Assets**

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Council Tax

A local tax charged to the occupiers of residential properties used to finance the budget of the Council for the year.

Creditors

Amounts owed by the Council for goods, services and works that have been received by the Council for which no payments have been made by the Council at the Balance Sheet date.

Current Asset

Asset held which will be realised, sold or consumed within the next financial year.

Current Liability

Amounts which will be settled within the next financial year.

Current Service Cost (Pensions)

The increase in the present value of a defined benefit scheme's liabilities expected to arise from employee service in the current period

Curtailment

For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments include:

- termination of employees' services earlier than expected, for example as a result of closing a factory or discontinuing a segment of a business; and
- termination of, or amendment to the terms of, a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits

Debtors

Amounts owed to the Council for goods, services and works that have been provided by the Council for which payments have not been received by the Council at the Balance Sheet date.

Defined Benefit Pension Scheme

A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

GLOSSARY CONT.**Depreciation**

The measure of the loss in the value of an asset during the period due to age, wear and tear, deterioration or obsolescence. This charge is spread over the useful life of the asset.

Earmarked Reserves

Amounts set aside for future commitments or potential liabilities.

Effective Interest Rate (EIR)

The rate of interest necessary to discount the expected cash flows on a financial instrument in order to reduce its amortised cost to equal the amount of the original principal invested or borrowed.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

Financial Instruments

These are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments held by the Council include borrowings, investments, creditors and debtors.

Finance Lease

A lease which effectively transfers the risk of ownership of a non-current asset from a lessor to a lessee in return for a series of regular payments. Where the Council has obtained non-current assets by finance lease these assets are shown on the Council's balance sheet.

Financial Year

The period of twelve months covered by the accounts, which commences on 1st April.

General Fund

The main revenue fund of the Council, which summarises the cost of all services the Council provides.

Going Concern

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the income and expenditure accounts and Balance Sheet assume no intention to curtail significantly the scale of operations.

Gross Book Value

This represents the original price paid for an asset adjusted for subsequent revaluations, acquisitions, enhancements and disposals.

Heritage Assets

A heritage asset is an asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Impairment

A reduction in the value of a non current asset caused by a specific event occurring to the asset.

Intangible Assets

Assets which do not have a physical substance but are identifiable and are controlled by the Council through custody or legal rights. Examples of such asset are software licences.

Inventory

The amount of unused or unconsumed inventory held in expectation of future use. When use will not arise until a later period, it is appropriate to carry forward the amount to be matched to the use or consumption when it arises. Inventories comprise the following categories:

- goods or other assets purchased for resale;
- consumable stores;
- raw materials and components purchased for incorporation into products for sale;
- products and services in intermediate stages of completion;
- long-term contract balances; and
- finished goods.

GLOSSARY CONT.**Investment Property**

Property (land or a building, or part of a building, or both) held solely to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of operations.

Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred. An operating lease is a lease other than a finance lease.

Business Rates

This is a levy paid by the occupiers of non residential properties within the Council's district. It is charged on the rateable value of each non residential property multiplied by a uniform amount set annually by central government. This levy contributes to the cost of providing local authority services. The NDR income collected is redistributed between Maldon District Council, Central Government, Essex County Council and Essex Fire and Crime Commissioner.

Non Distributed Costs

These are overhead costs which provide no benefits to services and are therefore not distributed to services. These include pensions arising from discretionary added years service.

Net Book Value (NBV)

The Net Book Value of an asset is equivalent to its gross book value, less cumulative depreciation and impairment charges. Assets are included in the Balance Sheet at their net book value.

Precept

This is the amount that local authorities providing services within the Maldon District require to be paid from the Collection fund to meet the net cost of their services. The Council Tax requirement is made up of the sum of all the precepts levied on the Billing Authority. For the Maldon district – precepts are raised by Maldon District Council, Essex County Council, PFCC for Essex Policing and Community Safety, Essex PFCC Fire & Rescue Authority and Town and Parish Councils.

Principal Amount

The original amount of debt or investment on which interest is calculated.

Property, Plant and Equipment (PPE)

Assets held by the Council, which are directly used or occupied by the Council in the delivery of the Council's services. These are tangible assets (e.g. land, buildings, vehicles etc.) which yield benefit to the Council for a period of more than a year.

Provision

Amounts set aside where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Prudential Code

This Code is developed by CIPFA and sets out the system of capital financing and capital controls for local authorities. Prudential limits apply to all borrowing, qualifying credit arrangements and other long-term liabilities – whether supported by government or entirely self-financed. The system is designed to encourage authorities that need, and can afford, to borrow for capital investment to do so. The Code seeks to ensure that local authorities' capital investment plans are affordable, prudent and sustainable; that treasury management decisions are taken in accordance with good professional practice; and that local strategic planning, asset management planning and proper option appraisal are supported.

Revaluation

A technique used to adjust the value of certain classes of Property, Plant and Equipment assets to their fair value.

Revenue Expenditure Funded from Capital Under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset.

Revenue Support Grant (RSG)

Central government provides financial support towards the general expenditure of local authorities. The entitlement of each local authority is determined by a prescribed methodology.

Useful Life

The period over which benefits will be derived from the use of Property, Plant and equipment asset.

MALDON DISTRICT COUNCIL

Princes Road
Maldon
Essex CM9 5DL

www.maldon.gov.uk



Statement of accounts

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, in accordance with proper accounting practices. These Practices are prescribed by the 'Code of Practice on Local Authority Accounting in the United Kingdom' and comply with International Financial Reporting Standards (IFRS).

The purpose of the accounts is to present a true and fair view of the financial results of the Council's activities for the year ended 31 March, and to summarise the overall financial position of the Council as at the 31 March.

The Statement of Accounts are externally audited.

The draft accounts for 2018/19 (unaudited) are presented below:

http://www.maldon.gov.uk/download/downloads/id/17707/draft_statement_of_accounts_2018-19.pdf

Maldon District Council

Audit of Accounts: Year ended 31 March 2019

Publication of statement of accounts, annual governance statement and narrative statement

The Accounts and Audit (England) regulations 2015 – Regulation 10

The external audit of the draft statement of accounts for the year ended 31 March 2019 has not yet been completed by our external auditors, Deloitte LLP. This situation is allowed for by Regulation 10, paragraph (2a) of the Accounts and Audit Regulations 2015.

The Council published its unaudited draft accounts by the 31 May 2019 (in accordance with Regulations 9 and 14 of the Accounts and Audit Regulations 2015).

Therefore, this notification explains, as per paragraph (2a), that we are not yet able to publish our audited 2018/19 final statement of accounts in line with deadline for 31st July 2019, as per paragraph (1). The Audit and Accounts Committee will consider the results of the 2018/19 audit at its meeting on 28 November 2019 by way of a report from the external auditor on the audit for the year ended 31 March 2019, after which we will publish the final audited statement of accounts upon receipt of the external auditor's audit opinion.

Kamal Mehta
Interim Section 151 Officer
Maldon District Council
14 November 2019

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REPORT of INTERIM SECTION 151 OFFICER

**to
COUNCIL
19 DECEMBER 2019**

COUNCIL TAX BASE 2020 / 21

1. PURPOSE OF THE REPORT

- 1.1 The Council is required to set the tax base for Council Tax by the 31 January in the financial year preceding that to which the tax base applies.
- 1.2 The Council has to notify its tax base calculations to the Essex County Council, Essex Fire Authority and the Police and Crime Commissioner for Essex and Parish / Town Councils by 31 January.

2. RECOMMENDATION

That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012 the amount calculated by Maldon District Council as its council tax base for the 2020 / 21 year shall be set at 25,090.8.

3. SUMMARY OF KEY ISSUES

- 3.1 The Local Government Finance Act 1992 amended by s84 of the Local Government Act 2003 set out the requirements allowing each local authority to make its arrangements for adopting the Council Tax base. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012:2914) provides amended statutory guidance to incorporate the changes resulting from the introduction of the Local Council Tax Support Scheme (LCTSS).
- 3.2 The Council Tax varies between the different bands according to proportions laid down in legislation. These proportions are based around Band D and are fixed so that the bill for a dwelling in Band A will be a third of the bill for a dwelling in Band H. Applying the relevant proportion to each band's net property base produces the number of 'band D equivalent properties for the area.
- 3.3 The Council is required to approve the Council Tax Base figure for 2020 / 21 by 31 January 2020. The Council Tax Base figure is an integral part of the calculations for setting the level of Council Tax, and is the number of chargeable properties adjusted for certain factors, e.g. single persons' discounts, local council tax support, exemptions etc.

- 3.4 The tax base is calculated as determined in The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, with information as at 30 November 2019. **APPENDIX A** shows the calculation of the tax base whilst **APPENDIX B** sets out the tax base for each Parish / Town Council.
- 3.5 The Parish / Town Councils have been notified of their individual estimated tax base so that they can set their Parish / Town precepts that they wish to and calculate their Band D Council Tax for 2020 / 21. The deadline for the receipt of Parish / Town Council precepts is 10 January 2020.
- 3.6 It should be noted that whilst calculated and shown separately in **APPENDIX B** the following Parishes tax bases are combined to set their precept and therefore their Band D Council Tax.
- Asheldham and Dengie;
 - Hazeleigh and Woodham Mortimer;
 - Langford and Ulting.
- 3.7 The collection rate used in the tax base calculation for 2020 / 21 is 98.3%; which is the same as that used in the current year and is still considered to be achievable.
- 3.8 The Council Tax Base figure set for the current year (2019 / 20) is 24,536.1, so the new figure for the forthcoming year represents an increase of 554.7 or 2.26%. The key reason for the increase is the number of new dwellings that have been added to the valuation list since the calculation was undertaken in November 2018 and an annualised estimate of the number of new dwellings that is expected will be added to the valuation list and therefore will become chargeable during 2020 / 21.

4. CONCLUSION

- 4.1 The annual setting of the Council's tax base is a prerequisite to the setting of the council tax for the following year.

5. IMPACT ON CORPORATE GOALS

- 5.1 Declaration of the Councils tax base is a technical exercise necessary to meet statutory obligations rather than corporate goals. The generation of additional income through the maximisation of the Council's tax base indirectly supports all corporate goals.

6. IMPLICATIONS

- (i) **Impact on Customers** – None identified.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – There are no risks associated with this report.

- (iv) **Impact on Resources (financial)** – The increase in tax base will increase the Council's council tax revenue for 2020 / 21.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified.

Background Papers: None.

Enquiries to: Kamal Mehta, Interim Section 151 Officer., (Tel: 01621 875762).

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MALDON DISTRICT COUNCIL - COUNCIL TAX BASE 2020/21

			Band A Disabled Reduction	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Line 1	Total Chargeable Dwellings			2,392.0	3,728.0	8,061.0	5,288.0	4,415.0	2,824.0	1,528.0	175.0	28,411.0
Lines 2+3	Less Exempt Dwellings			132.0	43.0	65.0	37.0	27.0	9.0	12.0	0.0	325.0
Line 4	Chargeable Dwellings			2,260.0	3,685.0	7,996.0	5,251.0	4,388.0	2,815.0	1,516.0	175.0	28,086.0
Line 5	Less Disabled Reductions			5.0	18.0	41.0	28.0	26.0	17.0	14.0	9.0	158.0
Line 6	Plus Revised Bands due to Disabled Reductions Chargeable Dwellings - Revised		5.0	18.0	41.0	28.0	26.0	17.0	14.0	9.0		158.0
			5.0	2,273.0	3,708.0	7,983.0	5,249.0	4,379.0	2,812.0	1,511.0	166.0	28,086.0
Calc	Less Number of dwelling equivalents where discounts and premiums apply		0.5	339.5	423.1	618.8	321.0	189.8	90.5	51.3	4.3	2,038.6
Line 27	Number of dwellings equivalents after applying discounts and premiums to calculate tax base		4.5	1,933.5	3,284.9	7,364.3	4,928.0	4,189.3	2,721.5	1,459.8	161.8	26,047.4
Line 28	Less Local Council Tax Support Scheme		2.2	504.6	531.6	769.6	207.4	82.8	25.4	9.1	0.0	2,132.7
Line 29	Equivalent of Chargeable Dwellings		2.3	1,428.9	2,753.3	6,594.7	4,720.6	4,106.5	2,696.1	1,450.6	161.8	23,914.7
Line 30	Ratio to Band D		5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Line 31	Band D Equivalents		1.3	952.6	2,141.4	5,861.9	4,720.6	5,019.0	3,894.4	2,417.7	323.5	25,332.4
	Add Unbanded Properties		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Add Estimated Growth	192.3										192.3
	Band D Equivalents											25,524.7
	Non-Collection Rate	1.7%										433.9
	Estimated Council Tax Base for 2020/21	98.3%										25,090.8

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Maldon District Council**2020/21 Council Tax Base by Parish / Town Council**

Parish Council	2020/21 Estimated Tax Base
Althorne	523.3
Asheldham	61.8
Bradwell	337.6
Burnham-on-Crouch	3,288.3
Cold Norton	499.2
Dengie	49.4
Goldhanger	311.6
Great Braxted	178.7
Great Totham	1,274.2
Hazeleigh	57.2
Heybridge	2,781.6
Heybridge Basin	280.3
Langford	85.3
Latchingdon	478.5
Little Braxted	84.8
Little Totham	193.4
Maldon	5,430.2
Mayland	1,487.7
Mundon	146.8
North Fambridge	410.0
Purleigh	567.6
Southminster	1,544.8
St. Lawrence	596.6
Steeple	193.1
Stow Maries	84.3
Tillingham	402.0
Tollesbury	1,013.2
Tolleshunt D'Arcy	443.3
Tolleshunt Knights	421.3
Tolleshunt Major	277.2
Ulting	68.8
Wickham Bishops	994.6
Woodham Mortimer	253.2
Woodham Walter	270.9
TOTAL	25,090.8

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REPORT of DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE

**to
COUNCIL
19 DECEMBER 2019**

SCHEDULE OF MEETINGS 2020 / 21

1. PURPOSE OF THE REPORT

- 1.1 A draft schedule of meetings for the 2020 / 21 municipal year is presented for the Council's consideration.

2. RECOMMENDATION

That the schedule of meetings for 2020 / 21 attached as **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 At its meeting on 14 February 2019, as part of the Transformation Programme, the Council approved the following cycle of meetings for the new Committee structure.

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Strategy and Resources	Performance, Governance and Audit	Overview and Scrutiny			Council

- 3.2 The draft schedule of meetings for 2020 / 21 (**APPENDIX 1**) has been prepared in accordance with the above cycle. Please note that the Joint Standards, Licensing, Licensing Sub and Investigating & Disciplinary Committees and the Appointments Board, are not included as meetings of these are arranged as and when required.
- 3.3 The requirements and suggestions of the Corporate Leadership Team and other lead Officers have been included within this schedule.
- 3.4 **Area Planning Committees**
- 3.4.1 So far as is possible, the Area Planning Committees are on a four-weekly cycle and held on consecutive weeks.
- 3.5 **District Planning Committee meetings**
- 3.5.1 This schedule includes provision for meetings of the District Planning Committee to meet the requirement to determine applications of 'development of strategic and

major interest'. It should be noted that these meeting are *provisional* dates and the final dates and times will be provided nearer the time.

3.6 Recess

- 3.6.1 Save for the need to continue the cycle of Area Planning Committees, there is a three week recess in August, a two week recess Christmas and two week at Easter for non-planning meetings. These recess' have been planned to fall during school holiday dates as advertised by Essex County Council.

4. CONCLUSION

- 4.1 It is considered that the schedule attached as **APPENDIX 1** represents a framework for meetings of the Council and its Committees.

5. IMPACT ON STRATEGIC THEMES

- 5.1 An efficient and effective committee structure supports the Councils Performance and Efficiency Theme, and Planning For the Future Theme, specifically contributing to, 'An open and transparent organisation'.

6. IMPLICATIONS

- (i) **Impact on Customers** – None, provided that an adequate framework is in place for the Council and its Committees to operate and transact business.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Financial (Resources and Human)** – None, unless linked to any particular requirements resulting from the operation of the Overview and Scrutiny Committee.
- (v) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Tara Bird, Committee Services Advisor, (Tel: 01621 875791).

SCHEDULE OF MEETINGS 2020 / 21

KEY:
CAC.....Central Area Planning Committee
DPDistrict Planning Committee
LIC.....Licensing Committee
NW.....North Western Area Planning Committee
O&S Overview & Scrutiny Committee
PGA Performance, Governance and Audit Committee

S&R.....Strategy and Resources Committee
SESouth Eastern Area Planning Committee
STANDARDS ..Joint Standards Committee

Monday	4	6	8	3	13 NW	2	17 SE	1	21	6
Tuesday	5		9		14		18		22	
Wednesday	6		10		15		19		23 CAC	
Thursday	7 ELECTIONS (PFCC)		11 O&S		16 PGA		20 COUNCIL		24 COUNCIL	
Friday	8 BANK HOLIDAY (VE DAY)		12		17		21		25	
Monday	11	0	15 NW	4	20 SE	3	24	2	28	1
Tuesday	12		16		21		25		29	
Wednesday	13		17		22		26 CAC		30	
Thursday	14 STAT. COUNCIL		18 DP provisional		23 O&S		27 S&R		1 S&R	
Friday	15		19		24		28		2	
Monday	18 NW	0	22 SE	5	27	4	31 BANK HOLIDAY	3	5 NW	2
Tuesday	19 SE NB: DAY		23		28		1		6	
Wednesday	20		24		29 CAC		2		7	
Thursday	21		25 S&R		30 DP provisional		3 PGA		8 PGA	
Friday	22		26		31		4		9	
Monday	25 BANK HOLIDAY	1	29	6	3	5	7 NW	4	12 SE	3
Tuesday	26		30		4		8		13	
Wednesday	27 CAC		1 CAC		5		9		14	
Thursday	28 S&R		2		6		10 O&S		15 O&S	
Friday	29		3		7		11		16	
Monday	1	2	6	1	10 NW	6	14 SE	5	19	4
Tuesday	2		7		11		15		20	
Wednesday	3		8		12		16		21 CAC	
Thursday	4 PGA		9 COUNCIL		13		17 DP provisional		22 DP provisional	
Friday	5		10		14		18		23	

No MDC Meetings (except planning)	MDC Council meetings	Bank Holiday	LGA Conference	School Holidays
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Monday	26		7 SE	5	18 SE	5	1	5	12 NW	5
Tuesday	27		8		19		2		13	
Wednesday	28		9		20		3		14	
Thursday	29	O&S CRIME	10		21 O&S		4	O&S CRIME	15 O&S	
Friday	30		11		22		5		16	
Monday	2	NW	14	6	25	6	8	NW	19 SE	6
Tuesday	3		15		26		9		20	
Wednesday	4		16 CAC		27 CAC		10		21	
Thursday	5	COUNCIL	17 COUNCIL		28		11	COUNCIL	22 COUNCIL	
Friday	6		18		29		12		23	
Monday	9	SE	21	1	1	1	15	SE	26	0
Tuesday	10		22		2 DP <i>provisional</i> NB DAY		16		27	
Wednesday	11		23		3		17		28 CAC[5]	
Thursday	12	S&R	24		4 S&R		18	S&R	29	
Friday	13		25 CHRISTMAS DAY		5		19		30	
Monday	16		28 BANK HOLIDAY (for BOXING DAY)	2	8 N	2	22		3 BANK HOLIDAY	0
Tuesday	17		29		9		23		5	
Wednesday	18	CAC	30		10		24	CAC	6	
Thursday	19	PGA	31		11 COUNCIL BUDGET		25	PGA	7 ELECTIONS (ECC?)	
Friday	20		1 NEW YEAR'S DAY		12		26		8	
Monday	23		4	3	15 SE	3	29		10	0
Tuesday	24		5		16		30		11	
Wednesday	25		6		17		31		12	
Thursday	26	O&S	7 S&R		18 PGA		1		13 STAT COUNCIL	
Friday	27		8		19		2	GOOD FRIDAY	14	
Monday	30	NW	11 NW	4	22	4	5	EASTER MONDAY	17 NW <i>provisional</i>	0
Tuesday	1		12		23		6		18 SE NB DAY <i>provisional</i>	
Wednesday	2		13		24 CAC		7		19	
Thursday	3	DP <i>provisional</i>	14 PGA		25 O&S		8	DP <i>provisional</i>	20	
Friday	4		15		26		9		21	

No MDC Meetings (except planning)	MDC Council meetings	Bank Holiday	LGA Conference	School Holidays
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