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

20 January 2021

Dear Councillor

You are summoned to attend the meeting of the;

STRATEGY AND RESOURCES COMMITTEE

on **THURSDAY 28 JANUARY 2021** at **6.00 pm**.

Please note that this will be a **remote meeting** – Members to access the meeting via Microsoft Teams. Members of the press and public may listen to the live stream via the [Council's YouTube channel](#).

A copy of the agenda is attached.

Yours faithfully



Director of Strategy, Performance and Governance

| | | |
|----------------------|---------------|--|
| COMMITTEE MEMBERSHIP | CHAIRMAN | Councillor R H Siddall |
| | VICE-CHAIRMAN | Councillor C Swain |
| | COUNCILLORS | Mrs P A Channer, CC M F L Durham, CC M R Edwards M W Helm K M H Lagan N J Skeens W Stamp Mrs M E Thompson Miss S White |

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are available via the Council's website www.maldon.gov.uk.

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AGENDA
STRATEGY AND RESOURCES COMMITTEE
THURSDAY 28 JANUARY 2021

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

2. **Apologies for Absence**

3. **Minutes - 19 November 2020** (Pages 7 - 16)

To confirm the Minutes of the Strategy and Resources Committee held on Thursday 19 November 2020, (copy enclosed).

4. **Minutes - 24 November 2020 (special meeting)** (Pages 17 - 120)

To confirm the Minutes of the special Strategy and Resources Committee held on 24 November 2020, (copy enclosed).

5. **Disclosure of Interest**

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

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

6. **Public Participation**

To receive the views of 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).

Should you wish to submit a question please complete the online form at:
www.maldon.gov.uk/publicparticipation.

7. **Discretionary Fees and Charges 2021 / 22** (Pages 121 - 144)

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

8. **Treasury Management Strategy 2021 / 22** (Pages 145 - 194)

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

9. **Capital and Investment Strategies for 2021 / 22 and Minimum Revenue Statement 2021 / 22** (Pages 195 - 222)

To consider the report of the Director of Resources, (copy enclosed).
10. **Revised 2020 - 21 Estimates, Original 2021 / 22 Budget Estimates and Council Tax 2021 - 22** (Pages 223 - 250)

To consider the report of the Director of Resources, (copy enclosed).
11. **Medium Term Financial Strategy 2021 / 22 to 2023 / 24** (Pages 251 - 296)

To consider the report of the Director of Resources, (copy enclosed).
12. **Annual Review of Financial Regulations** (Pages 297 - 356)

To consider the report of the Director of Resources, (copy enclosed).
13. **Contract Procedure Rules Review and Update** (Pages 357 - 394)

To consider the report of the Director of Resources, (copy enclosed).
14. **Council Tax Support Scheme 2021 / 22** (Pages 395 - 406)

To consider the report of the Director of Service Delivery, (copy enclosed).
15. **Pay Policy Statement** (Pages 407 - 414)

To consider the report of the Director of Resources, (copy enclosed).
16. **Insurance Tender** (Pages 415 - 420)

To consider the report of the Director of Resources, (copy enclosed).
17. **Corporate Plan Update 2021 - 2025** (Pages 421 - 426)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).
18. **Donation of Laptops for Essex Children** (Pages 427 - 428)

To consider the report of the Director of Resources, (copy enclosed).
19. **Any other items of business that the Chairman of the Committee decides are urgent**

20. **Exclusion of Public and Press**

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

21. **Millfields Caravan Park, Burnham-on-Crouch** (Pages 429 - 466)

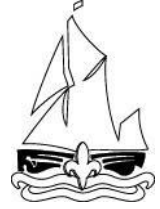
To consider the report of the Director of Resources, (copy enclosed).

NOTICES

Sound Recording of Meeting

Please note that the Council will be recording and publishing on the Council's website any part of this meeting held in open session. At the start of the meeting an announcement will be made about the recording.

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**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
19 NOVEMBER 2020**

PRESENT

| | |
|---------------|---|
| Chairman | Councillor R H Siddall |
| Vice-Chairman | Councillor C Swain |
| Councillors | Mrs P A Channer, CC, M F L Durham, CC, M R Edwards, M W Helm, K M H Lagan, N J Skeens, W Stamp, Mrs M E Thompson and Miss S White |

73. CHAIRMAN'S NOTICES

The Chairman welcomed everyone to this remote meeting of the Strategy and Resources Committee, held under new regulations which had come into effect in response to the COVID-19 situation. The Chairman then went through some general housekeeping arrangements for the meeting.

A roll call of those Members present was taken. It was noted that Councillor Miss S White was running late and would join the meeting shortly.

74. APOLOGIES FOR ABSENCE

There were none.

75. MINUTES OF LAST MEETING

RESOLVED that the Minutes of the Strategy and Resources Committee held on 17 September 2020 be agreed (by assent).

Councillor Miss S White joined the meeting at this point.

76. DISCLOSURE OF INTEREST

Councillor Mrs P A Channer disclosed a non-pecuniary interest as a Member of Essex County Council in relation to Agenda Item 6 – Budgetary Control (April – September 2020) and 7 – Medium-Term Financial Strategy 2021 / 22 to 2023 / 24 and any other item on the agenda pertinent to the County Council. Councillor Mrs Channer also declared a pecuniary interest in Agenda Item 15 – Debt Write Off and advised that she

would leave the chamber for this item of business because she was a member of an organisation (appointed to by the County Council) mentioned in the report.

Councillor N Skeens disclosed a pecuniary interest in Agenda Item 15 – Debt Write Off as a Member of West Quay Houseboat Association which held a lease with Maldon District Council. He advised that he would maintain his awareness and if matters arose would withdraw from the meeting accordingly.

Councillor K M H Lagan declared a non-pecuniary interest in the following Agenda Items:

- 9 – 2021 / 22 Fees and Charges Policy as he had held conversations with some persons potentially affected by the policies.
- 12 – Maldon Citizens Advice- Request for Review of Funding as he had held discussions with members of the organisation.

Councillor M F L Durham disclosed a non-pecuniary interest as a Member of Essex County Council in Agenda Item 6 – Budgetary Control (April – September 2020) and 7 – Medium-Term Financial Strategy 2021 / 22 to 2023 / 24 and any other item of the agenda pertinent to the County Council who as well as Maldon District Council were beneficiaries to both business rates and council tax.

77. PUBLIC PARTICIPATION

There was none.

78. BUDGETARY CONTROL (APRIL - SEPTEMBER 2020)

The Committee considered the report of the Director of Resources providing information in relation to financial performance over the period 1 April to 30 September 2020. The report provided an update on a number of areas including the following:

- Gross Service Income and Expenditure;
- Top Expenditure Areas and Variance Analysis - A detailed breakdown of refuse, recycling and street cleansing was set out in Appendix 2 and ICT expenditure in Appendix 4.
- Top Income Areas and Variance Analysis;
- Salary Monitor as at 30 September 2020 (Appendix 1);
- Predicted General Fund Balance;
- Capital Projects Monitor as at 30 September 2020 (Appendix 5)

The Chairman drew Members' attention to an addendum to the report which had been circulated prior to the meeting. The addendum sought to update information contained within tables 4 and 5 of the report.

It was noted that the Council's ability to operate within its budget had been directly impacted by the Coronavirus Pandemic, resulting in huge income shortfalls and overspends. Although Government Grants had mitigated some of this they had not fully

compensated the Council and there was therefore a shortfall which would have to come out of the General Fund.

The Chairman moved the recommendation set out the report and this was duly seconded.

In response to a question, the Director of Resources advised that the report was based on the most up to date figures at the time of writing and Officers would continue to update these moving forward. It was also confirmed that the level of General Fund was set by the Council on an annual basis following recommendation from the Section 151 Officer.

The Chairman put the recommendation to the Committee and it was agreed by assent.

RESOLVED that the contents of the report be noted.

79. MEDIUM-TERM FINANCIAL STRATEGY 2021 / 22 TO 2023 / 24

The Committee considered the report of the Director of Resources presenting the revised Medium- Term Financial Strategy (MTFS) for 2021 / 22 to 2023 / 24 (attached as Appendix 1 to the report).

Appendix 2 to the report detailed the budget growth items identified during the budget review as required to meet service demand and carry out Council Policy. The impact of the COVID-19 pandemic were set out the report and it was noted that these impacts would continue in future years. An update on the General Fund was provided and it was noted that a number of assumed COVID-19 pressures had been built into the General Fund Balance.

The Chairman moved the recommendation as set out in the report and this was duly seconded.

Members discussed the report and the information detailed in the Appendix. Further clarification was provided by Officers in response to a number of questions.

The Chairman put the recommendation to the Committee and it was agreed by assent.

RESOLVED that the Medium- Term Financial Strategy for 2021 / 22 to 2023 / 24 (as at 19 November 2020) and set out at Appendix 1 to the report be noted (by assent).

80. YEAR-END TREASURY OUTTURN REPORT 2019 / 20

The Committee considered the report of the Director of Resources reporting the Council's investment activity for the 2019 / 20 financial year in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management and the Council's Treasury Management Policy and Treasury Management Practices (TMPs).

The report provided an update on the following areas and further details were set out in the related Appendices:

- An overview of the external economic environment - Appendix 1 to the report had been prepared by Arlingclose who provide treasury management consultancy and advice services to the Council.
- Investment Activity (April 2019 – March 2020), including an update in respect of Brexit and the Coronavirus.
- Performance – Budgeted income and outturn.
- Compliance with Prudential Indicators and Treasury Management Strategy (Appendix 2).
- Outlook for 2020 / 21 provided by Arlingclose.

It was noted that none of the Prudential Indicators had been breached and a prudent approach had been taken in relation to investment activity with priority being given to security and liquidity over yield.

The Chairman put the recommendation as set out in the report. This was duly seconded and agreed by assent.

RESOLVED that the Treasury Outturn report be noted for compliance purposes (by assent).

81. 2021 / 22 FEES AND CHARGES POLICY

The Committee considered the report of the Director of Resources seeking Members' review of the fees and charges policies that had been put forward by Officers prior to approval of the 2021 / 22 budget.

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 and new policies.

It was noted that the detailed schedule of Fees and Charges would be reviewed based on policy decisions and this Committee would recommend to the Council the 2021 / 22 Fees and Charges during the next cycle of meetings. The 2021 / 22 income budget would be based on the recommended policy.

Members discussed the proposed Fees and Charges policies and in response to questions, Officers provided further clarification including the following:

- Wharfage fees – Members were advised that the fees had not been set for 2021 / 22 and this was the opportunity for Members' to feed into that process. It was noted that support had been offered to barge owners during the COVID-19 lockdown but this had not been taken up to date, however Officers continued to engage with them. The Chairman suggested that a meeting with the barge owners, officers and Members could be arranged.

The Chairman advised that if setting up of a Finance Working Group was agreed later in this meeting, this was a matter that the Working Group could look at.

Councillor K M H Lagan requested it be minuted that Wharfage fees and possible discounts to these be considered by the Finance Member Working Group.

- Officers advised in applying the Council's policies and fees to be set there would be opportunity to take into consideration any COVID implications.
- Schools were now charged for car parking permits and it was not proposed that this policy would change.
- In response to comments regarding the Promenade Park, Officers acknowledged the difficulties faced in this current financial year and the loss of income in relation to this. Officers would continue to work to ensure the best possible income was achieved at the Park.

The Chairman then put the recommendation as set out in the report and this was duly agreed by assent.

RESOLVED that the Fees and Charges policies for 2021 / 22 (as set out in Appendix A to the report), be adopted for Officers to follow.

82. CAPITAL PROJECT BIDS 2021 / 22

The Committee considered the report of the Director of Resources seeking Members consideration of the Capital Projects that had been put forward by Officers prior to the approval of the 2021 / 22 budget (attached as Appendix A to the report) and updated Medium-Term Financial Strategy in February 2021.

Members were reminded of the four groups into which each capital project (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 2020 / 21 capital programme and those monies left for future years. It was noted that any revenue consequences of the capital projects would be included in the 2021 / 22 revenue budget.

Members discussed in detail the Capital Project bids submitted, and in response to questions raised the following information was provided by Officers:

- The earmarked and unallocated reserves for 2020 / 21 were detailed on page 50 of the pack for this meeting.
- It was clarified that any pictures shown within the Appendix were indicative and Officers would ensure that competitive quotes / tenders were sought prior to procurement. In respect of vehicles, it was confirmed that electric vehicles would be looked at. It was suggested that this could be reviewed by the Finance Working Group.
- Officers provided an update regarding the Council's procedure for redundant laptops. Councillors Mrs P A Channer and M F L Durham highlighted a programme used by Essex County Council whereby laptops were refurbished and supplied to young persons.
- Riverside Park Information boards and signage – It was clarified that this was a resubmission of a previously agreed capital bid.

- Riverside Park – installation of new car park hard standing – The Lead Countryside and Coast Co-ordinator explained that this was to make improvements to the car parking area with marked spaces.
- Dengie 100 Sports Centre Gym Expansion – Members were advised that would be an ‘invest to save’ project.
- Maldon Promenade – New Improved Skate Park – The Commercial Manager advised that this had been brought forward following requests from Members and members of the public.

In response to a question regarding Burnham-on-Crouch, the Officer advised that Section 106 monies were expected, and he had recently carried out a review of the area to discuss some of the projects that would benefit from these monies.

- Burnham-on-Crouch Houseboats berth – The Commercial Manager clarified that this bid included a pontoon, walkway, utility connects etc. and the proposed monthly cost for berth holders. The Officer advised that he would be happy to go through the scheme with any Members. It was confirmed that due diligence and bench marking had been carried out.

The Chairman put the recommendation as set out in the report and this was duly seconded. The Chairman clarified that the Capital Project Bits would be taken to the Working Group and come back to this Committee in January for recommendation to the Council. The recommendation was then agreed by assent.

RESOLVED that the Capital Project Bids (as detailed in Appendix a to the report) be reviewed for inclusion in the 2021 / 22 Capital Programme (by assent).

83. FINANCE MEMBER WORKING GROUP

The Committee considered the report of the Director of Resources seeking Members’ approval to establish a Finance Member Working Group (the Working Group) to inform and consult on the constantly updated Medium-Term Financial Strategy (MTFS) to overcome financial pressures being presented.

The proposed purpose of the Working Group was set out in the report and it was noted that its Terms of Reference would be finalised at the first meeting of the Working Group.

The Chairman put the recommendations as set out in the report. This was duly seconded. The Chairman then proposed an amendment to recommendation (i) that the Working Group be made up of four Independent Members and two Conservative Members. This was duly seconded.

The Chairman proposed that Councillors R H Siddall, W Stamp K M H Lagan and C Swain be appointed to the Working Group. This was duly seconded. Councillor Mrs P A Channer proposed herself and Councillor M F L Durham be appointed to the Working Group. Councillor Durham declined the proposal and in response Councillor Mrs Channer amended her proposal to herself and Councillor Miss S White. This was duly seconded.

Councillor M W Helm expressed concern that the Democratic Alliance Group were not represented on the Working Group. In response, Councillor Mrs Channer proposed that seven Members be appointed to the Working Group. This was duly agreed by assent.

The Chairman clarified the proposed membership of the Working Group was:

- From the Independent Group – Councillors Siddall, Stamp, Lagan and Swain
- From the Conservative Group – Councillors Mrs Channer and Miss White
- From the Democratic Alliance Group – Councillor M W Helm.

The membership was duly agreed by assent.

RESOLVED that a Finance Member Working consisting of the following seven Members be established:

- Councillors Mrs P A Channer CC, M W Helm, K M H Lagan, R H Siddall, W Stamp, C Swain and Miss S White.

84. MALDON CITIZENS ADVICE - REQUEST FOR REVIEW OF FUNDING

The Committee considered the report of the Director of Service Delivery seeking Members' consideration of a request from the Maldon Citizens Advice (MCA) for a review of its funding. A copy of the request received was attached at Appendix 1 to the report.

The report provided details of existing funding arrangements, the proposed changes and an additional funding request from MCA. It was noted that the increase in funding had not been built into current budgets and funding beyond 2022 should form part of the new contract due to be considered in Spring 2021.

The Chairman introduced Mr Philip Wakeling, Chairman of the Maldon and District Citizens Advice and advised that he had agreed to Mr Wakeling making a short presentation.

Mr Wakeling referred Members to the request submitted by the MCA and advised that they were seeking a new three-year contract with the Council for the provision of generalist advice. He explained that the MCA were about to make a bid to renew its contract for another five years with the National Lottery for specialist debt, homelessness prevention and welfare benefits, worth £350,000. It was hoped as part of this bid to demonstrate that they had secured funding with the District Council. Mr Wakeling outlined the services provided, the number of local residents supported by the MCA during a year and the benefits this in turn had provided. He informed the Committee that the services provided could not be obtained from any other source in the district. Mr Wakeling asked Members to support the request for renewal.

The Chairman thanked Mr Wakeling for his presentation and moved the recommendation as set out in the report. This was duly seconded.

Councillor Miss S White felt that the matter should be deferred and highlighted a number of concerns including the amount of funding provided. In response to comments the Director of Service Delivery advised that the purpose of the report was to

consider a one-year extension to assist the CAB and proceed this with a detailed review and Value for Money (VMF) exercise in respect of a new contract with the MCA for future years commitment. He referred to the new Finance Member Working Group and how it could assist with this work.

In response to a question the Director of Service Delivery advised he did not have the detail regarding the charges made to the MCA relating to rent and utilities but would confirm this detail to all Members outside of the meeting.

Councillor Mrs P A Channer declared an interest in this item of business as she sat on the Citizens Advice Bureau Liaison Group.

A lengthy debate ensued during which a number of Members spoke in support of the work done by the MCA and its VFM.

In response to a question the Director of Service Delivery advised that if Members were minded to support the recommendation this would be included in the budget due to be considered at the January 2021 meeting of this Committee. Prior to that meeting Officers could undertake further dialogue with the MCA and report this through the Finance Member Working Group prior to consideration by the Committee. The Director advised it would not be possible to undertake the work required in terms of the three-year funding from 2022, however he would review the timetable to see whether it could be brought forward more expediently.

A question regarding other providers was raised and in response the Director of Service Delivery advised it was difficult to find alternative providers and outlined the process that would be followed as part of the procurement process.

The Chairman then put recommendation (i) as set out in the report to the Committee, this was duly agreed by assent.

The Chairman explained in recommendation (ii) the Committee were being asked to agree continuing funding (with an increase to £75,000) for 2021 / 22 to give security to the MCA. The Director of Service Delivery further clarified that if agreed this would go forward to the Council for approval as part of the 2021 / 22 budget setting process. This was put to the vote and duly agreed.

In respect of recommendation (iii) the Chairman proposed that this be amended to replace spring 2021 with as soon as feasibly possible. This was duly agreed by assent.

RESOLVED

- (i) That following consideration of the request from Maldon Citizens Advice at Appendix 1 to the report Members confirm that an increase in funding to Maldon Citizens Advice, from £73,500 to £75,000 be included in the budget process for 2021 / 22;
- (ii) That funding of the Maldon Citizens Advice for 2022 onwards be considered as part of a report on future procurement to be brought back to the Strategy and Resources Committee as soon as feasibly possible.

85. EXCLUSION OF THE PUBLIC AND PRESS

Councillor Miss P A Channer reminded Members of her earlier declaration of interest and left the meeting at this point.

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

86. DEBT WRITE OFF

The Committee considered the report of the Director of Resources requesting that the aged debt in connection to a leased area in Burnham-on-Crouch be written off.

The report provided detailed history regarding the leased area, related invoices and those proposed to be written-off. It was noted that the Council had exhausted all avenues of recovery.

The Chairman moved the recommendation as set out in the report. This was duly seconded.

In response to a question regarding the write-off, the Director of Resources explained that if the write-off was agreed this would not mean that the Council could not continue to chase the debt.

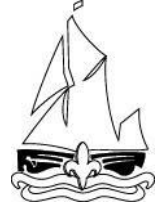
The Chairman then put the recommendation which was duly agreed by assent.

RESOLVED that the £11,996.40 debt write-off in connection to a leased area in Burnham-on-Crouch is agreed and written off as detailed in the report.

The meeting closed at 8.28 pm.

R H SIDDALL
CHAIRMAN

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**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
24 NOVEMBER 2020 (SPECIAL MEETING)**

PRESENT

| | |
|---------------|---|
| Chairman | Councillor R H Siddall |
| Vice-Chairman | Councillor C Swain |
| Councillors | Mrs P A Channer, CC, M F L Durham, CC, M R Edwards, M W Helm, K M H Lagan, N J Skeens, W Stamp, Mrs M E Thompson and Miss S White |
| In attendance | Councillor C Mayes and C Morris |

87. CHAIRMAN'S NOTICES

The Chairman welcomed everyone to this remote meeting of the Strategy and Resources Committee, held under new regulations which had come into effect in response to the COVID-19 situation. The Chairman then went through some general housekeeping arrangements for the meeting.

A roll call of those Members present was taken.

88. APOLOGIES FOR ABSENCE

There were none.

89. DISCLOSURE OF INTEREST

Councillor M F L Durham declared a non-pecuniary interest as a Member of Essex County Council advising that there were various items pertaining to that authority on the agenda. He also declared an other pecuniary interest in relation to Agenda Item 7 – Approval to Consult on the Draft Lists of Local Heritage Assets for the Parishes of St. Lawrence, Woodham Walter, Langford and Ulting as his parents owned one of the properties listed, and advised that this was not a pecuniary interest.

Councillor Mrs P A Channer declared a non-pecuniary interest as a Member of Essex County Council who were referred to in a number of reports and may be involved in a number of items on the agenda.

At this point Councillor W Stamp advised that Councillor N Skeens would be joining the meeting a little later.

90. PUBLIC PARTICIPATION

No requests had been received.

91. IT POLICIES

The Committee considered the report of the Director of Strategy, Performance and Governance, updating the following policies and seeking their adoption. It was noted that the introduction of these policies would provide clear policy requirements as well as meeting the requirements of a recent internal network security audit recommendation.

- ICT Acceptable Use (attached as Appendix 1 to the report);
- Email and Communications (Appendix 2 to the report);
- Information Security (Appendix 3 to the report).

The Lead Specialist: ICT Infrastructure advised that since the Strategy and Resources Committee meeting in October Officers had revised the ICT Acceptable Use and Email & Communications Policies to include additional statements regarding Members.

The Chairman moved the recommendations as set out in the report. This was duly seconded.

It was noted that this should be a recommendation to the Council for approval of the policies.

During the discussion that ensued, the Senior Specialist: Legal provided further guidance in response to queries raised regarding the policies proposed. It was agreed that the following amendments would be made to both the Email and Communications and ICT Acceptable Use policies:

- Email and Communications Policy: Add to the end of the paragraph ‘Human Rights Act 1988’ on page 4 of this document “Emails are only accessed where this legal justification can be met”.
- ICT Acceptable Use Policy: Add to the paragraph ‘Monitoring’ on page 2 of this document “An individual will be advised of any access to their emails within 20 working days, except in circumstance where this would prejudice the grounds on which access was granted.”

RECOMMENDED that subject to the above amendments, the following policies which set out the security requirements that all staff and Members must adhere to when using Maldon IT systems to ensure data security and appropriate use, be reviewed and agreed:

- ICT Acceptable Use (attached as **APPENDIX 1** to these Minutes);
- Email and Communications (**APPENDIX 2** to these Minutes);
- Information Security (**APPENDIX 3** to these Minutes).

Councillor N J Skeens joined the meeting during this item of business.

92. PLANNING ENFORCEMENT

The Committee considered the report of the Director of Service Delivery seeking adoption of a new Planning Enforcement Policy (attached as Appendix 2 to the report).

It was noted that following a question raised at the Council meeting on 16 July 2020, a meeting with the Leader of the Council, Area Planning Committee Chairman Councillor M S Heard and Officers had taken place to discuss the backlog of enforcement cases. At this meeting it had been agreed that Officers would look at bringing forward options and methods to reduce the backlog, including a review of the current Enforcement Policy (attached as Appendix 1 to the report).

Background information regarding planning enforcement was set out in the report along with the alterations proposed to the Enforcement Policy following its review. Members were advised it was anticipated that adoption of the new policy would improve the level of service provided. However in order to meet the targets within the new policy additional staffing resource was required and this had been requested as part of the 2021 / 22 Budget Cycle growth report considered by this Committee on 19 November 2020. It was noted that this would form part of the budget considered by the Council in February 2021.

The Chairman proposed that the recommendations set out in the report be agreed. This was duly seconded.

A lengthy debate ensued. In response to a number of questions and comments the following information was provided:

- Ward Members were consulted prior to enforcement notices being served. The Lead Specialist Place advised he was happy to provide details of number of enforcement notices served in a Ward for Members.
- It was noted that the flow chart detailed in Appendix 1 related to current policy and the revised policy (Appendix 2) did not contain this.
- Most enforcement cases were confidential in order to protect individuals;
- If a complaint had been raised by a Parish Council, Officers would provide the Parish Council with an update on progress.
- Although it had been agreed that the Area Planning Committees would not receive regular enforcement reports it was noted that the Chairman of an Area Planning Committee could call a special meeting to discuss planning enforcement, if it was felt appropriate.

In response to a comment made by another Member Councillor C Swain referred to the need for a regular enforcement report. He proposed that quarterly enforcement reports be made to the Performance, Governance and Audit Committee (PGA), detailing the category of the complaint and the nature of the Council's response. This proposal was duly seconded. In response, the Lead Specialist Place raised some concern regarding what information the report would provide. Following further discussion, the seconder for Councillor Swain's proposal withdrew their support. It was agreed that Councillor Swain would contact the Chairman of the PGA outside of this meeting to suggest that it may be something they wish to bring forward.

The Chairman then put the recommendations as set out in the report and upon a vote being taken these were agreed.

RESOLVED

- (i) That the inclusion within the 2021 / 22 Budget Cycle growth requests the provision of additional staffing resources, be noted.

RECOMMENDED

- (ii) That the Planning Enforcement Policy (attached as **APPENDIX 4** to these Minutes) be adopted.

93. APPROVAL TO CONSULT ON THE DRAFT LISTS OF LOCAL HERITAGE ASSETS FOR THE PARISHES OF ST. LAWRENCE, WOODHAM WALTER, LANGFORD AND ULTING

The Committee considered the report of the Director of Service Delivery seeking approval to consult the Draft Lists of Local Heritage Assets for the Parishes of St. Lawrence, Woodham Walter, Langford and Ulting (attached as Appendix 1 to the report).

The report advised of the Planning Practice Guidance which encouraged Local Planning Authorities to identify 'non-designated heritage assets' against consistent criteria. Background information regarding the compilation of these local lists was detailed along with the process if they were approved for public consultation. It was noted following consultation the local lists would be presented to this Committee for adoption and subsequent publication on the Council's website.

The Committee received a presentation from the Specialist: Conservation and Heritage outlining the work that had been undertaken in compiling the draft Lists of Local Heritage Assets. A number of Members expressed their thanks to the Officer for his excellent work.

In response to a question regarding Burnham-on-Crouch the Officer advised that the Local List of Local Heritage Assets for this town were currently in draft and was next on the list to progress.

The Chairman put the recommendation as set out in the report. This was duly seconded and agreed by assent.

RESOLVED that the Draft Lists of Local Heritage Assets for the Parishes of St. Lawrence, Woodham Walter, Langford and Ulting be approved for public consultation.

Councillor C Mayes left the meeting during this item of business.

94. NORTH QUAY DEVELOPMENT BRIEF SUPPLEMENTARY PLANNING DOCUMENT

The Committee considered the report of the Director of Strategy, Performance and Governance seeking adoption of the North Quay Development Brief (a background paper to the report) as a Supplementary Planning Document (SPD) following public consultation.

The report set out the process that had been followed in the creation of this SPD and the recent public consultation exercise that had taken place. It was noted that the consultation statement was attached at Appendix A to the report and the Strategic Environmental Assessment and Habitat Regulation Assessment Screening Opinion Environmental Report at Appendix B.

The Strategy Theme Lead: Place presented the report, detailed the result of the public consultation and amendments proposed. It was noted that a summary of the consultation responses was set out in the report.

The Chairman thanked the Officer for her detailed report and work on the Development Brief and then moved the recommendation as set out in the report. This was duly seconded.

In response to questions raised the following information was provided:

- Quayside Walk – This was an aspiration on the North Quay but could not be achieved due to current land ownership.
- Parking - It was noted that existing retail areas provided car parking and any new development coming forward would have to meet adopted parking standards.
- Causeway Flood Risk Review – This had been held up due to resource implications that had come about as a result of the COVID-19 pandemic. However, Members were advised that the review had now been received in draft form.

In response to a query, the Director of Strategy, Performance and Governance advised that this Committee should be recommending to the Council that the Development brief be adopted. Considering this the Chairman amended his earlier proposal seeking Members agreement to recommend adoption of the Development Brief to the Council. Upon a vote being taken this was duly agreed.

RECOMMENDED that the North Quay Development Brief be adopted as a Supplementary Planning Document.

95. PROMENADE PARK GARDEN PLAY SCHEME

The Committee considered the report of the Director of Service Delivery presenting the revised design for the Play scheme proposed for Promenade Park (attached at Appendix A to the report) for approval, following public consultation. The report also sought Members' approval to progress with procurement of a suitable contractor.

Detailed background information regarding development of the scheme was set out in the report and Appendix B set out the report considered by the Community Services Committee in November 2018. It was noted that a public consultation on the scheme had been undertaken and the results of this was set out in the report. Appendix C to the report provided details of the revisions to the design following the public consultation.

The Chairman moved the recommendations as set out in the report. This was duly seconded. A number of Members commented on the excellent work done by Officers in developing the scheme which was felt would be an asset to Maldon, Promenade Park and the District as a whole. Thanks to those Officers involved were given.

During the debate that ensued a number of questions were raised and the Commercial Manager provided the Committee with the following additional information:

- The Scheme included a number of specific elements for children with access requirements, such as wheelchair swings. Members were advised that Officers hoped to further develop the surrounding area and reference to a sensory area was made. The Commercial Manager agreed to forward details of this to Members.
- Investment for a CCTV (closed-circuit television) camera was proposed and if agreed would cover the proposed area and form part of the live contract the Council had with Chelmsford City Council.
- The funding of this project had come from allocated Section 106 monies (£52,000 approved in 2017 with a ten-year timeframe) and the capital budget (approved in 2018).

In response to a suggestion that the Council could run a competition to seek ideas for the name of the proposed sensory garden, Members were advised that Officers would take this forward.

In response to a question regarding Riverside Park, Burnham-on-Crouch, Members were advised that proposals were in the budget for the next financial year but the details of these had yet to be approved by Members.

The Chairman put the recommendations as set out in the report and these were agreed by assent.

RESOLVED

- (i) That the revised Garden Play area design proposals (attached at Appendices A and C to the report) be agreed;
- (ii) That Officers proceed with procurement of all elements of the play site and associated works based upon this design via existing supplier Framework agreement.

96. ADJOURNMENT OF THE MEETING

RESOLVED that the meeting adjourn for a short comfort break at 19:56.

97. RESUMPTION OF BUSINESS

RESOLVED that the meeting resumed in open session at 20:01.

It was noted that Councillor M W Helm was unable to re-join the meeting due to connection issues.

98. UPDATE ON DISABLED FACILITIES GRANT RELATED ISSUES

The Committee considered the report of the Director of Service Delivery providing an update on the Council's Disabled Facilities Grant (DFG) programme up to Quarter Two (Q2) 2020 / 21.

The report provided background information regarding DFGs and the Council's requirements. It was noted that there were a number of factors affecting service delivery in 2019 / 20 and 2020 / 21 which were set out in the report along with a staffing update. Performance for the year 2019 / 20 and Quarter One to Q2 of 2020 / 21 were detailed.

The Chairman put the recommendations as set out in the report. These were duly seconded.

In response to a question regarding DFGs being part of the wider Private Sector Housing objectives the Lead Specialist: Community provided the Committee with further information.

The Chairman then sought assent on the recommendations set out in the report and these were duly agreed (by assent).

RESOLVED

- (i) That the impact of the ongoing COVID-19 issues on service provision be noted;
- (ii) That the status of the Council's Disabled Facilities Grant programme up to Quarter Two (30 October 2020) be noted.

99. DOCUMENT RETENTION POLICY UPDATE

The Committee considered the report of the Director of Service Delivery seeking consideration and adoption (by the Council) of the draft Document Retention Policy (attached as Appendix 1 to the report).

It was noted that whilst the Council's current Document Retention Policy was not scheduled for update until 2028 there was a need for it to be updated to reference the provisions of the General Data Protection Regulations (GDPR). A further change in respect of the retention of Human Resources employment records was also detailed in the report.

The Chairman moved the recommendations as set out in the report. This was duly seconded.

During the debate, some questions were raised and in response the Senior Specialist: Legal provided Members with additional information which included:

- In relation to personal data, the Data Protection Act required that data be destroyed when no longer required. This meant that unless there was a justifiable reason no end date for such data held was required.
- If there were historic documents that Officers felt warranted retention these could be passed onto the Essex Records Office. The Data Protection Officer often provided advice and guidance in respect of historical documents.
- Data Protection training was provided to Officers throughout the year.

Councillor Mrs P A Channer proposed that recommendation (ii) be amended subject to a brief annual report to this Committee reporting on any changes in the retention of documents under the delegated powers. This proposal was duly seconded.

The Chairman moved the proposals in the report with the amendment to recommendation (ii) and this was duly agreed by assent.

RECOMMENDED

- (i) That the Document Retention Policy, attached at **APPENDIX 5** to these Minutes, be approved;
- (ii) That Delegated Authority be given to the Director of Resources, in consultation with the Data Protection Officer to make any operational changes to the retention periods contained within the Policy subject to an annual report to the Strategy and Resources Committee on any changes made.

100. APPOINTMENT TO OUTSIDE BODIES

The Committee considered the report of the Director of Strategy, Performance and Governance seeking new appointments of representatives for 202 / 21 to Liaison Committees / Panels, as set out in the report.

In response to a question regarding the Maldon Market Member Task and Finish Working Group, the Director of Strategy, Performance and Governance explained that a number of appointed Task and Finish Working Groups were time limited by their nature. In respect of this Working Group he suggested that representatives be appointed and at the next meeting such Working Groups would be asked to consider their Terms of Reference and their future scope.

The following nominations were made:

Waste Task and Finish Working Group:

Councillors M F L Durham, K M H Lagan, R H Siddall and Miss S White were nominated to be representatives on this Group. These nominations were duly seconded.

Car Parking Task and Finish Working Group:

Councillors R H Siddall, C Swain, Mrs M E Thompson and Miss S White were nominated to be representatives on this Group. These nominations were duly seconded.

Maldon Market Member Task and Finish Working Group:

Councillors M R Edwards, C Swain, Mrs M E Thompson and Miss S White were nominated to be representatives on this Group. These nominations were duly seconded.

Places for People Liaison Committee:

Councillors M F L Durham and C Swain were nominated to be representatives on this Committee. These nominations were duly seconded.

Recreational Avoidance and Mitigation Strategy Member Forum:

Councillor K M H Lagan was nominated to be representatives on this Forum. These nominations were duly seconded.

River Crouch Coastal Community Team:

Councillors R H Siddall and N J Skeens were nominated to be representatives on this Coastal Community Team. These nominations were duly seconded.

The Chairman then put the nominations received and seconded. These were duly agreed by assent.

RESOLVED that the following appointments for the remainder of the municipal year be agreed.

| Body | 2020 / 21 Representative(s) |
|---|---|
| Car Parking Task and Finish Working Group (Minute 588 – 17/11/15) | Councillors R H Siddall, C Swain, Mrs M E Thompson and Miss S White |
| Maldon Market Member Task and Finish Working Group (Minute 612 – 21/11/17) | Councillors M R Edwards, C Swain, Mrs M E Thompson and Miss S White |
| Place for People Liaison Committee | Councillors M F L Durham and C Swain |
| Recreational Avoidance and Mitigation Strategy Member Forum | Councillor K M H Lagan |
| River Crouch Coastal Community Team (Management Team) | Councillors R H Siddall and N J Skeens |
| Waste Member Task and Finish Working Group (Minute 945 – 27/03/18) | Councillors M F L Durham, K M H Lagan, R H Siddall and Miss S White |

101. EXCLUSION OF THE PUBLIC AND PRESS

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

102. MILLFIELDS CARAVAN SITE

The Committee considered the report of the Director of Service Delivery updating Members and seeking approval of a revised lease agreement for the Millfields Caravan Park at Burnham-on-Crouch.

The report set out background information regarding the development of the Millfields Caravan Park, tendering process completed in 2012, planning conditions applied and a summary of key issues. Detailed legal advice was also set out in the report along with options for Members' consideration.

The Chairman moved the recommendations as set out in the report. This was duly seconded.

During the debate a number of questions were raised, and information provided by Officers in response. There was some discussion regarding the current and proposed use of the site and Members were reminded that the proposed scheme gave opportunity for the Council to generate income on the site.

It was noted that the report referred to a cost / base analysis being attached at Appendix 1 to the report, however this was not attached. In response the Chairman suggested that Members may wish to take this matter to the Finance Working Group with a report back to this Committee in January 2020. Further debate ensued.

The Chairman advised that as there was currently a proposal (to accept the Officers recommendations) already seconded the Committee would have to consider this and should it be lost then other proposals could be considered.

In accordance with Procedure Rule No. 13 (3) Councillor W Stamp requested a recorded vote. This was duly seconded. The Chairman put the proposal to accept the Officers' recommendations and the voting was as follows:

For the recommendation: None.

Against the recommendation:

Councillors Mrs P A Channer, M F L Durham, M R Edwards, K M H Lagan, R H Siddall, N J Skeens, W Stamp, C Swain, Mrs M E Thompson and Miss S White.

Abstention: None.

The motion was therefore declared lost.

The Chairman then proposed that this report along with the missing appendix be considered by the Finance Working Group and a report brought to the next meeting of this Committee. This was duly seconded. In accordance with Procedure Rule No. 13 (3) Councillor N J Skeens requested a recorded vote. This was duly seconded, and the voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, M F L Durham, M R Edwards, R H Siddall, W Stamp, C Swain, Mrs M E Thompson and Miss S White.

Against the recommendation:
Councillor N J Skeens.

Abstention: None.

It was noted that Councillor Lagan had lost connection and therefore did not vote.

The Chairman declared that the recommendation to send the report to the Finance Working Group had therefore been agreed.

RESOLVED that the report of Millfields Caravan Site along with the missing appendix be considered by the Finance Working Group and a report brought to the next meeting of this Committee.

103. FIVE YEAR HOUSING LAND SUPPLY

The Committee considered the report of the Director of Strategy, Performance and Governance informing Members of the Council's upcoming position in relation to the Five-Year Housing Land Supply (5YHLS).

The report provided background information regarding the 5YHLS to meet the Government's requirement for Councils to demonstrate that there are sufficient sites available to meet the housing requirements for the next five years. In addition, the report provided further information on the Council's 5YHLS position and future work. The draft Maldon District Council 5YHLS Statement for 2019 / 20 was attached as Appendix 1 to the report.

The Chairman put the recommendations as set out in the report. This was duly seconded.

In response to a number of questions, the Lead Specialist Place provided Members with further information regarding the Council's 5YHLS position and how this would affect the defence of planning appeals. It was noted that the impact of the recent COVID pandemic was outside of the calculation, although the Essex Planning Officers Association had sought some leniency in respect of COVID but this had not been granted at this stage.

Following a comment regarding the proposed Member workshop, the Lead Specialist Place suggested that perhaps two workshops could be arranged, one during the daytime and another in the evening. This was agreed.

The Chairman put the recommendations with the amendment to hold two member workshops. This amendment was duly agreed. The amended recommendations were then agreed by assent.

RESOLVED

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

- (ii) That two Member workshops to be provided (one during the daytime and the other in the evening) for all Members in relation to the lack of a Five-Year Housing Land Supply and decision making.

The meeting closed at 9.41 pm.

R H SIDDALL
CHAIRMAN



Acceptable Use Policy

CONTEXT

We must act appropriately with the information we obtain and hold, and with the systems we use and access. How you use our systems, telephony, email and intranet is important for our reputation and the trust of our customers.

APPLICATION OF POLICY

Everyone who uses information and communications technology this organisation provides (or technology under any ownership used in the course of the business of this organisation) must be aware of these policy statements and the obligations it places upon them.

Maldon District Council commits to informing all employees, members, voluntary workers, agency staff, contractors and other third parties of their obligations before they are authorised to access systems and information and subsequently at regular intervals. Other organisations, and their users, granted access to technology managed by our organisation must abide by this policy.

All those who access information and communications technology may be held personally responsible for any loss or misuse.

OBLIGATIONS

- You must not install, access or modify applications, systems or data without the correct authorisation from IT.
- You must maintain the security of information as defined in the Information Security Policy.
- You must not access or interfere with other people's email without their permission, or in their absence, the authorisation of their line manager.
- You must not participate in unlawful, libellous, immoral or offensive activities, including accessing, downloading, storing, creating, copying or disseminating offensive material. This includes, but is not limited to, material of a pornographic, sexual, violent, criminal, racist, sexist or otherwise discriminatory nature. Further, you must not use our systems to perpetrate any form of fraud or piracy.
- You must not publish a website, or any content on a website or social media platform, that could bring the organisation into disrepute. This includes publishing defamatory or knowingly false material about the organisation, colleagues or customers in any online publishing format.
- You must not disclose your password to anyone or ask anyone else for their password. If you suspect your password has become known to anyone else, change it immediately and report this to ICT.
- Only subscribe to services with your professional email address when representing the organisation.
- Our facilities and identity must not be used for commercial purposes outside the authority or remit of this organisation, or for personal financial gain.

- You must not attempt to disable or bypass anti-virus, malware or other security protection, and you should take care not to introduce viruses or malware. If you discover a virus or malware, you must notify ICT immediately.
- You must only use software that is appropriately licensed and materials which are not copyrighted, or for which you have been granted use.
- You must only use council data for the purpose it was obtained and not to benefit yourself, a family member or friend
- If you receive or view email or other content not intended for you, protect its confidentiality.
- Take care when replying or forwarding to ensure that only relevant parties are included.
- Report faults with information and communications technology and co-operate with fault diagnosis and resolution.
- If you use our technology or our internet provision for personal use, the organisation takes no responsibility for the security of your personal information. It is recommended you do not carry out personal financial transactions.

MONITORING

The organization maintains the right to examine any system or device belonging to the organization in the course of our business, and to inspect any data held there. this includes but isn't limited to Laptops, tablets, phones and desktops.

To ensure compliance with this policy, the volume of Internet and network traffic, and the use and content of emails and visited Internet sites, is tracked and monitored. Specific content will not be monitored unless there is suspicion of improper use or required by a criminal investigation.

In regards to monitoring the user is question may be made aware of the monitoring event however this will be based on the situation at hand. If for example the monitoring was required due to a criminal investigation, the organization may be required to keep its findings confidential.

General ongoing non-descript monitor is run at all times for all organization devices.

For any specific request for Monitoring, CLT Approval is required prior to action taking place. If a request to monitor an individuate is made there has to be good cause for the request and specific information requested. All data is then kept secure and confidential in accordance with the Information security policy and only disclosed to the CLT for disclosure.

Where specific allegations of improper use are received relating to the conduct the individual will be informed of the allegations and the nature and scope of the investigation being undertaken in line with the relevant code of conduct policy.

FURTHER INFORMATION

Also see

Information Security Policy

Contact

Lead ICT Specialist

To report faults, contact

The ICT team on 01621
854477

To report a virus or
malware, contact

The ICT team on 01621
854477

In the event of a password
breach, or suspected
breach, contact , Lead ICT
Specialist, who acts as the
Information Security
Manager.

Using Email and Digital Communications

CONTEXT

Email and digital communications are essential channels for our organisation, enabling us to work productively and flexibly.

How you communicate through email, instant messaging or audio-visual conferencing and what you publish on the internet is important for our reputation and the trust of our customers and partners.

Read the Information Security Policy and Acceptable Use Policy to understand your obligations.

AUDIENCE

This guidance is relevant for everyone who uses corporate email or digital communication channels in the name of Maldon District Council or acts as a representative of the organisation. It contains good practice and advice, describing the organisation's expectations as you use these channels.

All those who access email and digital communications may be held personally responsible for any abuse or inappropriate use.

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CHOOSING THE BEST CHANNEL

What do I need to communicate?

If information needs to be recorded or saved, or if you want to get a consistent message to a group of people, email is the answer. Short and insignificant conversation with somebody remote is ideal over instant messaging. Delivering an important, immediate and memorable message is best face to face, either in person or through video conferencing. For instant response combined with two-way dialogue, telephone remains a useful channel.

Channels for sensitive or complex subjects

If you are communicating about these matters, talk to somebody directly, or contact them using telephone or audio-video conferencing rather than email or instant messaging.

Performance appraisal or review issues | Job, salary or career progression

Topics which require discussion or dialogue | Private or privileged materials

Complex issues needing input from multiple people | Venting frustration

This ensures that aural or visual cues are evident in the conversation. Of course, you may need to follow up dialogue with documented notes or information, at which time email becomes an acceptable channel.

EMAIL ETIQUETTE

Keep emails short and to the point. The people receiving your email want to quickly understand how they should prioritise your message. Long emails may not be read to the end.

Use the subject field for a brief and concise description or reference. This helps the recipient organise and manage their email and will help you retrieve it if needed.

Read your email back to yourself before you send it, as it lets you check you are conveying the message you want, as well as correcting spelling or grammar mistakes which shows respect for the intended audience.

Do you need to attach something? When referring to other information or documents, think about whether the recipient can access a link rather than sending an attachment. This reduces the strain on your mailbox storage and theirs. It also reduces duplication as it discourages multiple copies being saved, and ensures the original information remains the key reference location.

Say Hello, Goodbye and who you are. Use a salutation appropriate for your audience. It is common practice to use Hi or Hello in professional emails, or to use Dear in particularly formal emails. Finishing your email with "Kind regards" or "Thanks" above your signature helps to stop communication feeling abruptly closed. Include a signature that provides enough information about who you are without making it unreasonably long. A corporately agreed disclaimer is automatically added to external emails therefore do not add your own version of a disclaimer to your signature.

Avoid snap responses. Never send an email in anger. Email can be very impersonal so it may encourage people to feel bolder in making criticism or pointing out things they are dissatisfied with than they would be in communicating it verbally. Whilst it may be tempting to respond in kind, it is always better to wait until your initial irritation is gone and then either speak to them in person or construct a considered response.

MANAGING EMAIL

Don't let email overwhelm you by setting a little time aside each day to deal with it. Consider whether senders need you to respond, retain or just read then delete. Use flags and reminders for emails which require a response you cannot immediately provide. Empty the deleted items folder intermittently and archive old items in your mailbox regularly to prevent it becoming unusable.

If you are able to work flexibly or remotely, you may collect email on your mobile phone or online. As technology enables us to work from almost anywhere with an internet or phone connection, it can be difficult to know where to draw the line. The relaxation of traditional work boundaries can cause feelings of pressure on your work life balance and difficulty switching off from work.

You are not expected to read and answer emails outside your normal working hours. Urgent matters can be communicated by telephone. There is no expectation you are always available just because you have connectivity.

Avoid peer pressure and do not get involved in competitive situations over email responses.

Be considerate of the time and day when sending emails. If you manage others, you should avoid setting an expectation that your team need to work when you work.

Set an out-of-office response when you are unable to read your emails for at least one working day or more. This helps to manage the expectations of those contacting you.

You do not need to check emails when you are off sick, on holiday or non-working days, but you should ensure they are managed on your behalf or that senders have an alternative point of contact.

You are responsible for managing your work time. Look for early signs of email invasion into your personal time and act quickly.

SENSITIVITY

Give some thought to whether a message needs to be marked differently to usual. Most messages and their attachments don't need to be marked as confidential or private, and when they aren't, the assumption is that the message can be forwarded and the attachment changed as required. Please do not use auto-forward rules on your emails as this restricts your ability to manage them according to their sensitivity.

Most email applications make it easy to mark emails with a sensitivity level. If in doubt, start your subject line with the appropriate word to indicate sensitivity. Be aware that marking with a sensitivity level does not prevent recipients distributing the content.

Remember privacy and confidentiality cannot be assured on most digital channels. Secure email should be used for sensitive information about individuals, or is sensitive due to quantity (e.g. large datasets of personal details) or content which is commercial in confidence.

Confidential messages and attachments should not be freely copied or forwarded. Distribution should be limited to those who need to be informed.

Private indicates the content is only to be shared between the sender and recipient. The recipient should seek the sender's permission before distributing or sharing the information.

Marking digital correspondence with **Personal** tells the recipient that the content is about the sender. The recipient should seek the sender's permission before distributing or sharing.

DIGITAL COMMUNICATIONS AND THE LAW

The law applies to email and digital communications in the same way as it does to the written or spoken word, regardless of intent or ignorance. Think carefully about what you say and how you say it. The organisation will assist law enforcement agencies when requested, including passing on all data held on email.

The law of copyright applies to electronic and digital forms in the same way as it does to traditional publications. Take care not to infringe copyright when reproducing any material in email, attachments or digital communications. Seek advice from Legal Services if you are unsure.

Everything contained in the email system is the organisation's intellectual property.

Data Protection and Freedom of Information

It is a criminal offence to collect, hold and process personal data on computers unless the Information Commissioner's Office is notified. This organisation is registered as a data processor. Information held in emails about a person may have to be revealed if they request it. Be mindful that email is included in the information subject to disclosure under the Freedom of Information Act 2000. It is also a legal requirement that information held is accurate and is only kept for as long as it is needed.

Human Rights Act 1998

Article 8 of this Act applies to emails and digital correspondence sent at work and gives individuals the right to privacy over such communications. However, monitoring individuals' email and digital correspondence at work may be justified if it is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety, for the economic wellbeing of the country, for the prevention of disorder or crime, for protection of health or morals or for the protection of the rights and freedoms of others. Emails are only accessed where this legal justification can be met

Obscene Publications Act 1959 and 1964

Material sent through the email system or shared digitally during working time or from the organisation's equipment could contravene this act, and information will be passed to appropriate authorities if requested.

Defamation

Critical comments or defamatory remarks about individuals, groups or organisations must not be included in corporate email or shared through digital channels when acting as a representative of the organisation. You must not reproduce any critical comments or defamatory remarks made by third parties as the law may interpret this as libel and you may be held liable for the contents.

Harassment and Discrimination

Comments or remarks sent by email or shared digitally may amount to harassment under anti-discrimination laws. Because there are no visual or tonal signals in digital communications, it is possible to cause offence to the recipient or reader where none was intended.

Contracts

It is possible to inadvertently form a contract through an exchange of email. A contract does not necessarily need a signature to come into force, and in any event, your email signature has the same weight in law as your manuscript signature. If you do not have the authority to create or vary a contract, take care in your email correspondence, and seek advice from Legal Services if needed.

Hacking

Unauthorised access to our network or systems, including email, can lead to theft, destruction or alternation of essential data. It is a criminal offence to access any computer system you are not authorised to use, or to delete or amend data or systems to the detriment of the organisation.

REPORTING EMAIL OR DIGITAL COMMUNICATIONS

Abusive or Obscene Content

Make sure you know and understand your obligations around inappropriate and unacceptable communications: see the Acceptable Use Policy. If you are unsure as to whether email or digital communication content could be offensive, do not send or share it. Remember you represent our organisation in all communications and should not do anything to bring it into disrepute.

Abusive or obscene content is not defined by what you consider abusive or obscene; it is what anyone could find to be abusive or obscene.

If you receive offensive material by email from an unknown source, do not reply or participate in any way as this may confirm to the sender that your email address exists and lead to further unwanted email. Inform your line manager and ICT.

If you receive offensive material from a known source, request they stop this in future and please tell your manager. You may notify ICT if you choose.

Viruses and Malware

Anti-virus and anti-malware tools are used throughout our network. Nonetheless some suspicious communications may find their way to you by masking themselves as a trusted correspondent or domain, or by being inconspicuous enough to avoid detection. Think carefully before opening attachments or following links you weren't expecting. Delete suspicious emails straight away, notifying the sender by separate email (not by replying) if you think there was a chance of authenticity. If you mistakenly open an attachment or follow a link which proves to be bogus, notify ICT immediately who will try to limit any issues; stop working on your PC or mobile device and do not attempt to remove any virus or malware yourself.

FURTHER INFORMATION

Also see **Information Security Policy, Acceptable Use Policy**

Contact, Lead ICT Specialist

To report concerns, contact the ICT team on 01621 854477

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Information Security Policy

CONTEXT

Information is essential to delivering services to citizens and businesses. Information security refers to the defence of information or information systems from unauthorised or unintended access, destruction, disruption or tampering. It is important our organisation acts appropriately with the information we obtain and hold. Confidentiality, integrity and availability of information must be proportionate and appropriate to maintain services, comply with the law and provide trust to our customers and partners.

APPLICATION OF POLICY

Everyone who accesses information this organisation holds must be aware of these policy statements and their responsibilities in relation to information security.

Maldon District Council commits to informing all employees, members, voluntary workers, agency staff, contractors and other third parties of their obligations before they are authorised to access systems and information and subsequently at regular intervals. Other organisations, and their users, granted access to information held by our organisation must abide by this policy.

All those who access information may be held personally responsible for any breach or misuse.

OBLIGATIONS

- Only access systems and information for which you are authorised.
- Only use systems and information for the purposes authorised.
- Comply with all applicable legislation and regulation.
- Comply with controls communicated by the Information Asset Owner.
- Do not disclose confidential or sensitive information to anyone without the permission of the Information Asset Owner.
- Ensure confidential or sensitive information is protected from view by unauthorised individuals.
- Do not copy, transmit or store information to devices or locations (physical or digital) where unauthorised individuals may gain access to it; the security of devices and locations you use are your responsibility.
- Protect information from unauthorised access, disclosure, modification, destruction or interference.
- Keep passwords secret and do not allow anyone else to use your access to systems and accounts (unless Maldon IT team require it to make updates)
- Notify the Information Security Manager of any actual or suspected breach of information security policy and assist with resolution
- Co-operate with compliance, monitoring, investigatory or audit activities in relation to information.

ROLES AND RESPONSIBILITIES

The Organisation

- Ensures compliance with law governing the processing and use of information.

Senior ICT Specialist

- Assures information security within the organisation.
- Promotes information security at executive management level.
- Provides an annual statement about the security of information assets.
- Supports Information Asset Owners to assess risks and implement controls.

Senior Legal Specialist

- Manages the investigation and mitigation of information breaches.
- Assess the risks to the information they are responsible for.
- Define the protection measures of the information they are responsible for, taking consideration of the sensitivity and value of the information.
- Communicate the protection controls to authorised users and ensure controls are followed.

Directors, Managers and Line Managers

- Ensure their employees are fully conversant with this policy and all associated standards, procedures, guidelines and relevant legislation; and are aware of the consequences of non-compliance.
- Develop procedures, processes and practices which comply with this policy for use in their business areas.
- Ensure all contractors and other third parties to which this policy may apply are aware of their requirement to comply.

Employees

- Conduct their business in accordance with this policy.
- Take responsibility for familiarising themselves with this policy and understanding the obligations it places on them.

APPENDIX 3

FURTHER INFORMATION

Contact

The ICT team on 01621 854477

In the event of an information breach, or suspected breach, contact Grant Hulley, Senior ICT Specialist, who acts as the Information Security Manager.

1 Introduction

- 1.1 The local enforcement plan for Maldon is produced by the Council in accordance with, and to directly reflect the aims and objectives of the National Planning Policy Framework (NPPF). It is at the discretion of the Council, as to whether or not take formal enforcement action; It is important to remember that recommended practice is to seek to negotiate with the owner or developer to bring about a voluntary resolution of the matter.
- 1.2 Planning enforcement action can only be considered where the building work or change of use involves a breach of planning control: i.e. planning permission, Listed Building Consent or advertisement consent would be required. In addition, an important consideration is whether the development is causing or has resulted in 'harm' (described in paragraph's 3.2 below). Certain types of building works or changes of use (development) are defined as 'permitted development'; this means that planning permission is not required. Whether or not planning permission is required depends on several factors and these are detailed in the Town and Country Planning (General Permitted Development) Order 2015 (As amended).
- 1.3 The Town and Country Planning Act 1990 (the Act) provides the legislative framework for dealing with breaches of planning control. The Act provides the Council with the necessary powers to deal with breaches of planning control whilst the National Planning Policy Framework (NPPF) 2019 and National Planning Practice Guidance (NPPG), provides guidance on how the Council should deal with breaches of planning control.
- 1.4 Three important points have to be made:
 1. It is not an offence to carry out development without first obtaining planning permission (except in certain instances – see paragraph 3.6)
 2. The taking of enforcement action/serving a notice is not an instantaneous remedy to unauthorised development.
 3. The taking of formal enforcement proceedings cannot be used to require the submission of a planning application.

- 1.5 The NPPF and NPPG make it clear that the powers provided by the Act are discretionary and should only be used when it is expedient to do so. Any action taken should be commensurate with the seriousness of the breach of planning control and the harm caused or harm that may be caused.
- 1.6 Paragraph 58 of the NPPF states:
“Effective enforcement is important to maintain public confidence in the planning system. Enforcement action is discretionary, and local planning authorities should act proportionately in responding to suspected breaches of planning control. They should consider publishing a local enforcement plan to manage enforcement proactively, in a way that is appropriate to their area. This should set out how they will monitor the implementation of planning permissions, investigate alleged cases of unauthorised development and take action where appropriate.”
- 1.7 This plan sets out the Council’s approach to the delivery of enforcement services relevant to planning, listed buildings and conservation areas.

2 Aim of Planning Enforcement in Maldon

- 2.1 The Council aims to provide an efficient, effective and timely planning enforcement service within the resources available, whilst treating our customers with courtesy, respect and fairness. We will seek to operate our service in accordance with service standards and performance targets. We will regularly review these standards taking account of the views of customers and stakeholders.
- 2.2 The Council aims to remedy the undesirable effect of unauthorised development and to strike a balance between protecting amenity/environment and other interests.
- 2.3 The Council will, when it is considered appropriate and proportionate to do so, take a robust approach to enforcing against confirmed breaches of planning control.

3 Breach of Planning Control

- 3.1 A breach of planning control broadly means the carrying out of development without the grant of planning permission or other form of planning control. A breach will also include the carrying out of development without compliance with the approved plans or any conditions attached to planning permission. Planning enforcement action can only be considered where the building work or change of use involved needs planning permission or other formal planning consent and/or has resulted in harm to amenity or the environment.
- 3.2 Breaches of planning control (unauthorised development) can sometimes cause serious harm to the way people live or to the environment. A key objective of the Planning Enforcement Service is that harmful activities are dealt with effectively where it is expedient to do so. However, it is important to note that any action taken by the Council to rectify a breach of planning control must be proportionate and carried out in a fair, balanced and impartial way.
- 3.3 Planning laws are designed to control development and the use of land and buildings in the wider public interest. They are not meant to protect the private interests of one person or party against another.
- 3.4 Examples of breaches of planning control include:
- Carrying out of operational development (building or other works) without the required planning permission.
 - Carrying out of material changes of use without planning permission.
 - Failing to comply with a condition or limitation subject to which planning permission was granted.
 - The neglect of land or buildings (untidy site) to an extent which causes harm to the amenity of the area.
 - Failure to comply with Section 106 Agreements/undertakings.
 - Engineering operations such as the raising or lowering of ground levels and formation of earth bunds.

- Not building in accordance with the approved plans (following the granting of planning permission).

3.5 Examples of activity that may not be breaches of planning control include:

- Internal alterations to a building which is not a listed building.
- Obstruction of a highway or public right of way.
- Land ownership disputes and boundary disagreements.
- Parking of vehicles on the highway or on grass verges.
- Operating a business from home, where the residential use remains the primary use of the property and there is no significant impact on the residential amenity or the character of the area.
- Covenants and restrictions on Deeds and Land Registry enquiries.
- Any development already approved by the government and therefore deemed to be “Permitted Development” by virtue of the Town and Country Planning (General Permitted Development) (England) Order 2015.

3.6 Most breaches of planning control are not, in themselves, criminal offences. Under current legislation a criminal offence only arises when an Enforcement Notice has been served, has taken effect and the requirements of such a notice have not been complied with in the time required within the notice. However, certain breaches of planning control do constitute a criminal offence from the outset. Such breaches include:

- Unauthorised works to a Listed Building, without the necessary consents.
- Unauthorised works to a Protected Tree or tree within a Conservation Area.
- The display of Advertisements which do not benefit from deemed consent.

4 Cases which will not be investigated

4.1 In order to give the best possible service and to manage the limited resources within the Council, there are some cases that will not be investigated. These include:

- Neighbour disputes – Unless clear planning issues identified.
- Anonymous complaints – Unless what is alleged is priority level 1 in nature
- Trade complaints – Unless clear planning issues are identified.
- Business uses from residential properties where no evidence is provided – In line with Public Protection procedures, a log sheet is sent out to record times, dates and activities prior to the case being formally investigated. Once the log sheets have been returned with sufficient information, the case will be formally investigated.
- Complaints that would appear, from the information provided, to fall under a different legislative framework e.g. Environmental Health or the Highway Authority.
- Issues that are clearly not planning related e.g. matters regarding deeds or covenants.

5 How we prioritise complaints

5.1 The Council receives a high number of new planning enforcement complaints every year. Because of the often lengthy and complex nature of planning investigations and limits on resources, it is necessary to give priority to those cases where the greatest harm is being caused. Individual cases may be re-prioritised as the investigation progresses where new and relevant information comes to light.

Complaints classified as '**Immediate**' – investigation (with initial site visit to ascertain facts) within 1-2 working days:

- Works to listed buildings
- Works to protected trees

- Demolition of important unlisted buildings in conservation areas
- Significant unauthorised building works
- Breach of conditions where there is likely to be irreversible harm

Complaints classified as **‘Urgent’** – investigation (with initial site visit to ascertain facts) within 15 working days:

- Councillor or MP complaints and formal Parish Council complaints
- •Operational/building works/change of use/compliance with conditions/obligations affecting residential amenity where ongoing severe neighbour distress being caused
- Operational development within conservation areas
- Where immunity rules are likely to shortly apply if action is not taken

Complaints classified as **‘Non-Urgent’** – investigation (with initial site visit to ascertain facts) within 25 working days

- Other changes of use (not falling in the above category)
- Other building works/condition of land/compliance with conditions (not falling in the above category)
- Advertisements and satellite dishes in most instances

6 Service Standards

- 6.1 To operate the planning enforcement service in accordance with the service standards and performance targets below, which set out the level of service and performance the public and businesses can expect. We will regularly review these standards taking account of the views of stakeholders.

Openness

- 6.2 To provide information and advice in plain language on the policies and procedures of the service, and to communicate this mainly by electronic means whilst giving access for all. We will maintain confidentiality for those persons who wish the Council to investigate a breach of planning control.

Partnership

- 6.3 To work with the community on compliance with planning controls on the basis that prevention is better than cure, and to ensure that our efforts are coordinated with other enforcement agencies within and outside the council.

Helpfulness

- 6.4 To provide a courteous, efficient and responsive service with appropriate publicised contact points.

Feedback about the service

- 6.5 To operate the council's compliments, suggestions and complaints procedure in an accessible, effective and timely manner.

Consistency

- 6.6 To use the council's planning enforcement powers in a fair and consistent manner.
- 6.7 The Council has committed itself to performance targets in order to achieve the above aims in order to secure the social, economic and environmental interests of the district, its residents and businesses and in compliance with national policies in the National Planning Policy Framework (NPPF) 2019 and the Maldon approved Local Plan 2017. We aim therefore, to achieve no less than an 80% target in all areas of enforcement set out below.

- Enquiries for enforcement investigation will be registered and acknowledged in writing within 5 working days of receipt (1-2 days where the complaint is classified as 'urgent' including site visit).
- Initial site visit undertaken in accordance with the prioritisation of the case as set out in section 5.1 above.
- Cases will be resolved, as defined within section 9.3 below, within 20 weeks of initial site visit being undertaken (processes described in the table below at 8.1 up to Formal Action).

7 Enforcement Investigations

- 7.1 All initial complaints are dealt with in confidence and details of the complainants will not be made known without their agreement. However, the substance of the complaints themselves is not confidential. In some cases, it may be necessary to rely on evidence from complainants in order to take action and the complainant will need to consider whether they are willing to actively assist the Council by collecting evidence and/or acting as a witness at an appeal or in Court.
- 7.2 If someone believes that a breach of planning control has occurred, they should notify the Council's Planning Enforcement Team using the online reporting form which can be found at:
https://www.maldon.gov.uk/info/20051/planning_enforcement/9571/make_an_enforcement_complaint
- 7.3 Anonymous complaints will not be investigated. If complainants do not wish to give their personal details they will be advised to contact either their Local Ward Councillor or their Parish Council who may then contact the Planning Enforcement Team on their behalf.

8 Enforcement Outcomes

- 8.1 Following the initial investigation, the findings will be assessed, and a view taken on how the investigation will proceed. It is key to decide as quickly as possible whether enforcement action is proportionate and then clearly document the decision reached and why. Formal action is a last resort and those responsible will normally be given the opportunity to remedy the breach. However, when the breach is causing serious harm or nuisance, formal action will not be delayed by protracted negotiations or a request for the submission of a planning application when it is obvious a refusal is likely to be the outcome.

Summary table of what actions we will consider taking according to the status of the investigation

| Status of the Investigation | The Council's Actions |
|--|---|
| No Breach of planning control has been identified | The Council will write to the complainant to advise them of our findings and the investigation will be closed. |
| A breach of planning control has been identified where it is not expedient to take action | The Council will write to the complainant to advise them of its findings and provide an explanation as to why no action will be taken in this instance. The investigation will be closed. |
| A breach of planning control has been identified and retrospective planning application may regularise the breach. | The Council will write to the person responsible for the breach of planning control and explain why the works/use require planning permission and provide advice on how that permission can be obtained. The Council expects a planning application to be submitted within 28 days. If an application is not submitted, the Council will decide whether it would be expedient to take enforcement action. |
| A breach of planning control has been identified and the matter needs to be addressed. | The Council will write to the complainant to advise them of its findings. The Council will also write to the person(s) responsible for the breach to advise them what steps they need to take to address the breach of planning control and the timescales within which those steps must be taken. The Council will also advise of the consequences of not complying with its request. |

| Status of the Investigation | The Council's Actions |
|------------------------------------|--|
| Further investigation is required. | <p>The Council will write to the complainant to advise them of its initial findings. The Council will write to the person(s) responsible for the breach to advise of the information that it needs. This may involve issuing a Planning Contravention Notice (PCN) which must be completed and returned to us within 21 days.</p> |
| Formal Enforcement Action | <p>Where it has been established that a breach of planning control has occurred, the Council will consider using statutory notices to take action to remedy the breach. The issuing of a notice is discretionary and will only be used when it is considered expedient to do so. Any action taken must be proportionate to the breach of planning control and may include 'under enforcement'.</p> <p>The complainant will be notified of the Council's decision, whatever that may be. If the decision is to take formal action, the complainant will be notified upon service of the notice.</p> |

| Status of the Investigation | The Council's Actions |
|-----------------------------|---|
| Prosecution | <p>Where the Council has served a statutory notice (including a PCN) in an attempt to remedy the breach of planning control and the required action has not been undertaken, where it is considered to be in the public interest, the Council will take appropriate legal action.</p> <p>The authority will seek full recovery of costs, where possible in these instances.</p> |

9 Engaging with the customer

- 9.1 One of the customer's key concerns in relation to enforcement is to be kept informed as the case progresses, especially as enforcement cases can be lengthy. The complaint will be updated as to case progress by the investigating officer and normally this will be when a material event occurs in the investigation (i.e. breach has been identified and the most appropriate remedy/action has been considered; or alternatively no breach has occurred or identified on the basis of the available information).
- 9.2 A second concern relates to the understanding of the process, procedures and remit of enforcement. There is a need to match the customers' expectations with what the Service can deliver. To address this issue a booklet will be made available on the Council's website that explains the planning enforcement and compliance process; a copy of this will be sent to all complainants as part of their acknowledgement letter.
- 9.3 All customers, including complainants and the individual or business that has allegedly breached planning control, will be informed when the case has been resolved. The resolution of a case means:

- The case has been investigated and there is no breach of planning control; or
- There is a breach of planning control which has been remedied, either by the submission of an application, or the works have been removed or use has ceased; or
- There is a breach of planning control, but it is not considered expedient to pursue the further; or
- An enforcement notice has been served.

9.4 Where an enforcement notice has been served, there is a compliance period within which the contravener is required to remedy the identified breach. The length of compliance period varies depending on the nature, severity, scale and complexity of the breach. The contravener has the right of appeal against the notice which will be decided by the planning inspectorate who may uphold or dismiss the enforcement notice. If the appeal goes against the contravener there may be a prosecution raised against the contravener if the notice is not complied with. This part of the process has an indeterminate timescale, as it would follow processes determined by bodies outside of the Local Planning Authority (Planning Inspectorate/Judiciary). The complainant will be kept updated with all processes and procedures at this stage.

10 OTHER PLANNING ENFORCEMENT POWERS

10.1 Some breaches of planning control are the subject of separate legislative codes. Investigations of breaches of planning control under these legislative codes will broadly be undertaken in accordance with the policy where appropriate.

10.2 These include:

- Listed Buildings
- Advertisements
- Trees
- Anti-Social Behaviour Order (ASBO)

- Condition of land or buildings affecting the amenity of an area (Untidy Site)
- Proceeds of Crime (POCA)

10.3 Where the legislative requirements are the same, this enforcement policy will form the basis for any action taken by the Council on these matters.

Listed Buildings

10.4 The Council attaches particular importance in ensuring that any alterations to listed buildings are properly authorised. The statutory provisions for the preservation of buildings of special architectural or historic interest are contained in the Planning (Listed Buildings and Conservation Areas) Act 1990. It is an offence under Section 9 of the Act to carry out unauthorised works to a listed building which would affect its character. The owner of a listed building or those who have an interest in the property or who have carried out the works may be prosecuted by the Council irrespective of whether consent is later obtained retrospectively, or the unauthorised works later made satisfactory. A person found guilty of an offence may be liable to a fine and/or a term of imprisonment. There is no time limit upon the District Council to pursue listed building enforcement action.

10.5 A Listed Building Enforcement Notice may also be served requiring remedial works to the building within a certain time scale. There is a right of appeal but failure to comply with the Notice is an offence, where a financial penalty may be imposed.

Advertisements

10.6 The display of advertisements is controlled under the Town and Country Planning (Control of Advertisements) Regulations 2007 and the Anti-Social Behaviour Act 2003 (part C) Penalty Notices for Graffiti and Fly Posting.

10.7 Advertisements are divided into three main groups:

- Those advertisements that are expressly excluded from local planning authority control

- Those that have 'deemed consent' so that the local planning authority's consent is not required provided the advertisement is displayed under certain rules
- Those advertisements that require the local planning authority's consent

10.8 Any person who displays an advertisement, without consent, is acting illegally. It is open to the Council to take a prosecution in the Magistrates Court for an offence under Section 224 of the Town and Country Planning Act 1990 (as amended). The Council also has some powers in relation to the display of advertisements under the Anti- social, Crime and Behaviour Act 2014.

10.9 Some advertisement may be displayed on highway land in which case there are powers that Essex County Council (ECC) has to remove these directly. The Council will seek ECC to remove these where complaints are received but in some cases, such as fly posting joint action may be necessary.

10.10 The only two reasons local authorities can take into account in dealing with advertisements under the Advertisement Regulations are public safety and amenity.

Anti – social behaviour orders (ASBOs).

10.22 This was new measure introduced in 1999. Graffiti and fly-posting are defined as an offence and a Penalty Notice can be served. 14 days' notice is required to be given of impending action. This type of action is considered more appropriate where there is an extensive problem of illegal fly posting.

Trees

10.23 Under Section 198 of the Town and Country Planning Act 1990, the local planning authority has the right to make provision for the preservation of trees in their area by issuing a Tree Preservation Order. Any unauthorised works to such protected trees is an offence under Section 210 of the Act. It is an offence to cut down, uproot or wilfully destroy a tree, or wilfully damage, top or lop a tree in such a manner as to likely destroy it.

- 10.24 Trees in Conservation Areas are similarly protected subject to the size of such a tree and under Section 211 and Section 212 of the Act, similar penalties apply.

Land or buildings that adversely affect the amenity of an area

- 10.25 Under Section 215 of the Town and Country Planning Act 1990, the local planning authority may take steps to require land or buildings to be cleaned up when its condition adversely affects the amenity of an area. The Council may serve a notice on the owner and occupier of the land requiring steps to be taken within a specified period.

- 10.26 The notice takes effect after 28 days from date of service. There is a right of appeal to the Magistrates Court and then to the Crown Court, during which time the notice is of no effect. If an appeal is unsuccessful, the notice takes effect and it is an offence not to carry out the steps required. If the notice is not complied with, the Council will consider prosecution proceedings or enter the land and carry out the required works. The costs incurred in carrying out the works will be recovered from the owner of the land.

Proceeds of Crime Act - POCA

- 10.27 The Proceeds of Crime Act 2002 (POCA) sets out the legislative scheme for the recovery of criminal assets with criminal confiscation being the most commonly used power. Confiscation occurs after a conviction has taken place. The aim of the asset recovery schemes in POCA is to deny criminals the use of their assets, recover the proceeds of crime and to deter criminality.
- 10.28 Consideration will be given to the appropriateness and expediency of the use of POCA powers, including but not limited to the seeking of confiscation orders, in appropriate cases in which a defendant has benefited from criminal conduct or a criminal lifestyle.

11 Legislation

- 11.1 When investigating breaches of planning control, the Council will act in accordance with the provisions of both primary legislation (Acts of Parliament) and secondary legislation (Statutory Instruments).

Primary Legislation

- The Town and Country Planning Act 1990 (as amended)
- Planning (Listed Buildings and Conservation Areas) Act 1990 (as amended)

Key Secondary Legislation

- Localism Act 2011
- The Town and Country Planning (Use Classes) Order 1987 (as amended)
- The Town and Country Planning (General Permitted Development) Order 1995 (as amended)
- Planning and Compensation Act 1991
- Planning and Compulsory Purchase Act
- Planning Act 2008
- Local Government (Miscellaneous Provisions) Act

Key Guidance

- The National Planning Policy Framework (Feb 2019)
- The National Planning Practice Guidance (online)
- Town And Country Planning (Control Of Advertisements) (England) Regulations 2007

Other Legislation, Guidance and Codes of Practice

- Regulators' Code
- Code for Crown Prosecutors
- Human Rights Act 1998
- Equality Act 2010
- Police and Criminal Evidence Act 1984 and Criminal Procedure and Investigations Act 1996

- Regulation of Investigatory Powers Act 2000

Key terms:

Harm

Harm resulting from a breach of planning control could concern amenity or highway safety issues which includes noise nuisance from inappropriate uses, loss of daylight or privacy, or danger from increased traffic flows. Harm to the visual amenity of an area could occur for example through unauthorised work to a listed building; demolition within a Conservation Area or work to a protected tree or inappropriate development in the Green Belt. Once the alleged breach has been investigated and it has been established that harm is being caused, action may then be taken. This harm would not, for example include: • loss of value to a neighbouring property, • competition to another business, • loss of an individual's view or • trespass onto someone else's land.

De Minimus:

It may be that whilst a technical breach of planning control has been found the breach is so minor that it has no or very little impact of any consequence. Such breaches would be considered „de minimus“ in planning terms and no formal action would be taken in this respect. Examples would include the following:

- a domestic television aerial.
- walls and fences which are over the permitted development height but where there are no significant harmful impacts on the appearance of the street scene, residential amenity or highway safety.
- Domestic extensions which exceed the permitted development limits but where there are no significant harmful impacts on residential or visual amenity.
- Advertisements which are not significantly harmful to either visual amenity or highway safety

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2020 MDC Document Retention Schedule
Document Control Sheet

| | |
|---|---|
| Document title | 2020 Maldon District Council Document Retention Scheme |
| Summary of purpose | To provide a list of records which need to be retained by Local Government for a designated period of time. |
| Prepared by | Emma Holmes, Senior Legal Specialist / Data Protection Officer |
| Status | Awaiting approval by the Council |
| Version number | 1 |
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| Approval date | |
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| Circulation | |
| Published on the Council's website | |

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.



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2020 MDC Document Retention Schedule

The purpose of the Retention Schedule

A retention schedule is a list of records which need to be retained by Local Government for a designated period of time.

The retention schedule shows:

- i. the title of each record which it creates in the course of its business;
- ii. a time period for which records are to be retained and the action which should be taken when it is of no further administrative use; and
- iii. identifies the reason (legislative, regulatory and/or operational) on which retention is based.

The existence of the retention schedule is a requirement of Maldon District Council's corporate Document Retention Policy. It has been developed in collaboration with Service Managers. The retention schedule refers to all information, regardless of the media in which it is stored, i.e. manual files, computer files, tapes, microfiche, etc. Where records are sentenced for destruction all back-up copies or copies stored on alternative media must also be destroyed. The retention schedule provides consistent instructions for all staff who deal with records, and a formal policy for records retention and disposal.

The purpose of the schedule is to:

- i. prevent the premature destruction of records that need to be retained for a specified period to satisfy legal, financial and other requirements of public administration;
- ii. assist in identifying records that may be worth preserving permanently as part of the Maldon District Council's archives; and
- iii. provide consistency for the destruction of those records not required permanently after specified periods.

Members of staff are expected to manage their current record keeping systems using the Retention Schedule and to take account of the different kinds of retention periods when they are creating new record keeping systems. The Schedule is a 'living document' and will be reviewed and amended as and when retention details change due to Council policy, if new information is created, to remove any obsolete record titles, or regulations and legislation that govern information and its use are introduced or altered.

Using the retention schedule

Where records have been identified for disposal they should be disposed of in an appropriate way. All records containing personal information, or sensitive information should be disposed of using secure waste sacks or shredded after administrative use.

The Freedom of Information Act 2000 requires the Council to maintain a list of records which have been destroyed and who authorised their destruction.

Members of staff should record at least:

- File reference (or other unique identifier);
- File title (or brief description);
- Number of files;
- The name of the authorising officer; and
- Date of destruction.

2020 MDC Document Retention Schedule**Retention Schedule and the Freedom of Information Act (2000)/Environmental Information Regulations (2004)**

The Freedom of Information Act (2000) and Environmental Information Regulations (2004) are intended to promote a culture of openness and accountability amongst public authorities by providing people with rights of access to records held by Maldon District Council. With the introduction of this legislation the Lord Chancellor issued a Code of Practice to be followed by public organisations using his powers under Section 46 of the Freedom of Information Act (2000). This guidance sets out his views on desirable practice for the retention, management and disposal of public authority records. The Code of Practice includes a requirement to develop and apply Document Retention Schedules within the organisation. The Retention Schedule is a requirement of the Freedom of Information Act (2000).

Retention schedule

The Data Protection Act (2018) requires that personal data shall be:

- used fairly, lawfully and transparently
- used for specified, explicit purposes
- used in a way that is adequate, relevant and limited to only what is necessary
- accurate and, where necessary, kept up to date
- kept for no longer than is necessary
- handled in a way that ensures appropriate security, including protection against unlawful or unauthorised processing, access, loss, destruction or damage

These principles require the Council to have procedures in place, covering the review of information held on files.

Retention schedules assist with compliance under the Data Protection Act, which requires us to keep personal data no longer than is necessary for the purpose for which it was collected. The time limits for keeping records are based on statutory requirements, common business practice, and national guidance and best practice (the Retention Guidelines for Local Authorities (RGLA), a guide produced by the Records Management Society of Great Britain).

In some parts of the retention schedule the recommended retention period given is 6 years. This is based on the 6 year time limit within which legal proceedings must be commenced as laid down in the Limitation Act 1980. It should also be noted that, under this Act, civil action could be taken up to 12 years following certain events.

Further information

Information and Records Management Society <http://irms.org.uk/>

The National Archives <http://www.nationalarchives.gov.uk>

Archives and Records Association <http://archives.org.uk/>

Information Commissioner's Office <http://www.ico.org.uk/>

2020 MDC Document Retention Schedule

Understanding the Retention Schedule

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|--|--|---|
| AI 1.1 | <u>Acquisitions</u> Assets over £50,000 Any papers concerning the management of the acquisition (by financial lease or purchase) process for assets and real property | Destroy 12 years , after all obligations / entitlements are concluded | <ul style="list-style-type: none"> • Legal Documents Relating to the Purchase / Sale • Particulars of Sale Documents • Survey particulars • Leases • Applications for Leases, Licences & Rental Revision • Tender Documents • Conditions of Contracts • Certificates of Approval | Statutory RGLA 7.29 Limitations Act 1980 |
| AI 1.2 | Assets under £50,000 | Destroy 6 years , after all obligations / entitlements are concluded | As above | Statutory RGLA 7.29 Limitations Act 1980 |

Ease of reference to identify function

Definition of function in terms of related items

Period of time for which document should be retained **and** action(s) once it has exceeded

Common examples of the types of documents included within the function

Indicates if retention action is statutory/ regulatory or Common practice

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Democratic Processes

DP1

Electoral Services

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|--|---|---|---|
| DP1.1 | Election / registration preparation <ul style="list-style-type: none"> Production of hard copy electoral register for use at each polling station Production of separate lists of postal voters, proxy postal voters and proxy voters for use at each polling station | Marked registers and lists of absent voters to be retained for a period of 12 months before being destroyed. | <ul style="list-style-type: none"> Electoral Register List of absent voters | Statutory |
| DP1.2 | Election/referenda documents <ul style="list-style-type: none"> Local elections Parliamentary election (incl. combined local) or European elections Referenda (including Neighbourhood Planning) | Destroy 12 months after the count Destroy 12 months after the count Destroy 12 months after declaration of results of poll | <ul style="list-style-type: none"> After the count - Counted and rejected ballot papers in separate packets The ballot paper accounts and the statement of rejected ballot papers and of the result of the verification of the ballot paper accounts The tendered votes lists, the lists of voters with disabilities assisted by companions, the lists of votes marked by the presiding officers and the related statements, the lists maintained under reg. 41A and the declarations made by the companions of voters with disabilities The packets of completed corresponding lists and certificates as to employment on duty on the day of the poll The packets containing marked copies of register and of lists of | Statutory |

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| | | | postal voters, proxies and postal proxies | |
| DP1.3 | Invitation To Register | 1 year from date of publication of current register | <ul style="list-style-type: none"> Application forms (hard copy and scanned*) *National Insurance numbers are automatically redacted by EMS after 6 months | Common practice per AEA |
| DP1.4 | Results Declaration of results (local elections only) | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Declaration of Results of Polls Consolidated returns of votes received Uploaded to MDC website | Local Practice |
| DP1.5 | Returns and Declarations as to Election Expenses <ul style="list-style-type: none"> Parish Council Election Local Government Election Parliamentary Election | Destroy 12 months after receipt Destroy 24 months after receipt Destroy 24 months after receipt | <ul style="list-style-type: none"> Expenses forms and accompanying documents in support | Statutory Statutory Statutory |
| DP1.6 | Copy of revised Electoral Register published on 1 December each year for public inspection, and lists of monthly alterations covering the period January to September inclusive each year | Destroy obsolete register on 1 December each year | | Statutory |
| DP1.7 | Copy of edited version of Electoral Register for public inspection, and lists of monthly alterations covering the period January to September inclusive each year | Destroy obsolete register on 1 December each year | Copy kept on electoral software (starting from 2004) for the purpose of verifying applications from overseas voters' applications. Hard copies kept for period prior to 2004 | Statutory |
| DP1.8 | Household Enquiry Forms | Destroy 1 year from date of publication of current register | Application forms (hard copy and scanned) | Common practice per AEA |
| DP1.9 | Other Elector Declarations | Destroy 1 year from date of publication of current register | Overseas Voters Anonymous Voters | Common practice per AEA |

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| | | | <p>Crown Servants Living Overseas Service Voters Voters With No Fixed Abode –</p> <p>Application forms (hard copy and scanned*) *National Insurance numbers are automatically redacted by EMS after 6 months</p> | |
| DP1.10 | Names and Addresses of Election Agents/Polling Agents/Count Agents/Count Guests | Destroy 12 months after declaration of result of election | Forms received from Candidates and/or their Agents – held in hard copy and on EMS – data retained on EMS | Local Practice |
| DP1.11 | Names and personal details of staff employed in and around elections and annual canvass of electors E.G. Casual election staff - Poll Clerks, Presiding Officers, Canvassers, etc. | Retained for as long as remain on staff pool of casual election workforce. Hard copy, emails and EMS | Application forms received are entered onto EMS | Local Practice |

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| DP2 Committee & Support Services | | | | |
|-------------------------------------|---|---|--|---|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| DP2.1 | Council & Committee Meetings Process of preparing business for Council consideration and making the formal record of discussion, debate and resolutions | <p>Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded.</p> <p>Committee documents published to and retained on website.</p> <p>Original hard copy sets of Minutes are signed by the Chairman at the following meeting as being a correct record of the proceedings and these are to be retained indefinitely,</p> <p>Minutes (and copies) to be made available for 6 years after a meeting.</p> <p>Lists of Background Papers to be kept available for 4 years after the date of the meeting.</p> | <ul style="list-style-type: none"> • Council Minutes • Council Agenda & Business Papers • Council Notice Papers and Proceedings • Indexes • Committee Minutes • Registers of delegations to Special Committees | <p>Statutory</p> <p>Minutes retention - Section 228 of the Local Government Act 1972.</p> <p>Local Government (Access to Information) Act 1985</p> <p>Hard copy Committee agendas and reports should be destroyed after meetings.</p> |
| DP2.2 | Delegated Decisions | Written records of delegated decisions must be kept available for 6 years . | <p>Service area records and paper files.</p> <p>Service area website pages, if applicable, where any such decisions are published</p> <p><i>[NB – Process under review & therefore likely to change in 2018]</i></p> | The Openness of Local Government Bodies Regulations 2014 requires publication of certain types of delegated decision |
| DP2.3 | Minute Taking | <p>Destroy after date of confirmation of the minutes</p> <p>Draft notes should be deleted/ destroyed once Minutes have been confirmed.</p> | <ul style="list-style-type: none"> • Draft / rough minutes • Audio tapes | Common practice |

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| | | Audio recordings published to website should be deleted after 2 years | | Common practice |
| DP2.4 | Political Parties Papers The process of undertaking representation of the Local Authority. | Destroy 3 years after last action Destroy correspondence relating to Leader's actions / appointments 2 years after last action | <ul style="list-style-type: none"> • Leader of Opposition Papers • Leader of Council Papers • Appointments to outside organisations and charitable bodies | Common practice |
| DP2.5 | Register of Interests of District Councillors: To be kept up-to-date during the term of office of the individual Councillor. A record of each Councillor's interests in accordance with the Localism Act 2011. | To be kept up-to-date during the term of the office of the individual Councillor. Following completion of another form, or the term of office ending, retain for 6 years . | Paper. The register of interest forms of current Councillors are published on the MDC website. | Statutory |
| DP2.6 | Register of Interests of Town and Parish Councillors: A record of each Councillor's interests in accordance with the Localism Act 2011. | To be kept up-to-date during the term of office of the individual Councillor. Following completion of another form, or the term of office ending, retain for 6 years . | Paper. The register of interest forms of current Councillors are published via the MDC website. | Statutory Town & Parish Clerks required to keep MDC informed of changes e.g. resignations, new Co-optee's etc. |
| DP2.7 | Declaration of Acceptance of Office: Each Councillor signs this declaration upon appointment. | Once the Councillor has ceased to be in office these can be destroyed after 6 years . | Paper form | Statutory – Local Government Act 1972 |

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|--------|--|--|--|--|
| DP2.8 | Partnership, Agency & External Meetings Process of preparing business for partnership and agencies consideration and making the record of discussion, debate and resolutions, where the Local Authority legally owns the record. Process of preparing business for external committees' consideration, and making the record of discussion, debate and resolutions, where the Local Authority does not own the record | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Destroy 3 years after last action | <ul style="list-style-type: none"> • Documents establishing the body / partnership • Agendas • Minutes • Council Reports • Recommendations • Supporting documents such as Council briefing and discussion papers | Common practice Common practice |
| DP2.9 | Honours and Submissions Preparation of honours submission | Destroy 1 year after last action | <ul style="list-style-type: none"> • Honours Nomination Form • Covering Documentation • Letters of Support • Referral for comment from Lord Lieutenant | Common practice |
| DP2.10 | Staff Disclosure of Interests Register of staff gifts and hospitality Staff register of interests | Destroy 1 year after record Destroy 3 years after each record | Declaration of the offer of gifts or hospitality to staff Declaration of the interests of staff which may affect their work with the Council | Common practice |
| DP2.11 | Constitution Constitution of the Maldon District Council | Permanent storage at MDC. Need the ability to review earlier versions of the Constitution as part of considering actions taken. | Constitution | Common practice |

2020 MDC Document Retention Schedule

Legal and Contracts

LC1
Legal Services

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|--|---|---|---|
| LC1.1 | Litigation Process of managing, undertaking or defending for or against litigation on behalf of the Local Authority | Destroy 6 years after last action | <ul style="list-style-type: none"> • Criminal Case File • Civil Case File • Correspondence | Statutory |
| LC1.2 | Advice Process of providing legal advice on a point of law | Destroy 6 years after last action | <ul style="list-style-type: none"> • E-mail queries • Memorandums/briefing notes | Statutory |
| LC1.3 | Agreements Process of agreeing terms between organisations. Note: this does not include contractual agreements | Destroy correspondence files relating to any agreement 6 years after agreement in place if executed under hand or for 12 years if executed as a Deed | <ul style="list-style-type: none"> • Concordat • Agreements • Contracts • Deeds | Statutory |
| LC1.4 | Conveyance (see also Property Acquisition and Disposal) Process of changing ownership of land or property | Destroy correspondence 12 years after closure | <ul style="list-style-type: none"> • Conveyancing Files | Statutory |
| LC1.5 | Bye Laws - Enactment The process of making local laws | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | Good practice |

| LC1.6 | Administration & Enforcement The process of administering and enforcing bye laws | Destroy 6 years after certificate has expired or penalty payment has been made or the matter has been finished or correspondence on the matter has ceased | <ul style="list-style-type: none"> • Applications and Certificates • Permits • Licenses • Infringement Notices (Parking) • Correspondence • Bye law enforcement • FPN enforcement | Statutory |
|--|--|---|--|---|
| LC2 Contract Management | | | | |
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| LC2.1 | Contracts and Tendering Pre Contract Advice Process of calling for expressions of interest | Destroy 2 years after contract let or not proceeded with | <ul style="list-style-type: none"> • Expressions of Interest | Common practice |
| LC2.2 | Specification and Contract Development Process involved in the development and specification of a contract | Ordinary Contracts Destroy 6 years after the terms of contract have expired Contracts Under Seal Destroy 12 years after the terms of contract have expired | <ul style="list-style-type: none"> • Tender Specification <p>Note: For project files containing drafts leading to a final version these records can be destroyed</p> | Statutory |
| LC2.3 | Tender Issuing and Return Process involved in the issuing and return of a tender | Destroy 1 year after start of contract | <ul style="list-style-type: none"> • Opening Notice • Tender Envelope | Common practice |

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| LC2.4 | Evaluation of Tender Successful Tender Document Unsuccessful Tender Documents | Ordinary Contracts Destroy 6 years after the terms of contract have expired Contracts Under Seal Destroy 12 years after the term of contract have expired Destroy 1 year after start of contract | <ul style="list-style-type: none">• Tender Documents• Quotations | Statutory Common practice |
| LC2.5 | Post Tender Negotiation Process in negotiation of a contract after a preferred tender is selected | Destroy 1 year after the terms of contract have expired | <ul style="list-style-type: none">• Clarification of Contract• Post Tender Negotiation Minutes | Common practice |
| LC2.6 | Awarding of Contract The process of awarding of contract | <u>Ordinary Contracts</u> Destroy 6 years after the terms of contract have expired <u>Contracts Under Seal</u> Destroy 12 years after the terms of contract have expired | <ul style="list-style-type: none">• Signed Contract | Statutory |
| LC2.7 | Contract Management Contract operation and monitoring Management and amendment of contract | Destroy 2 years after the terms of contract have expired <u>Ordinary Contracts</u> Destroy 6 years after the terms of contract have expired <u>Contracts Under Seal</u> Destroy 12 years after the terms of contract have expired | <ul style="list-style-type: none">• Compliance / Performance Reports• Minutes and Papers of Meetings• Changes to Requirements• Variation Forms• Extension of Contract• Complaints• Disputes on Payment | Common practice Statutory |
| LC2.8 | Localism Management of the Community Rights | Assets of Community Value Destroy 5 Years after receipt of nomination Community Right to Challenge Destroy 5 years after receipt of challenge | <ul style="list-style-type: none">• Nomination Forms and correspondence• Appeal documentation• Entry on Assets Register | |

2020 MDC Document Retention Schedule

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| | | | <div>amended</div> <ul style="list-style-type: none">Challenge notification | |
|--|--|--|---|--|

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Strategy & Management

**SM1
Strategy**

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|--|---|--|---|
| SM1.1 | Corporate Planning and Reporting Developing corporate strategies and planning and reporting activities | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded To be retained with committee minutes when approved by Council | <ul style="list-style-type: none"> Corporate Plans Strategic Plans Business Plans Annual Reports | Common practice |
| SM1.2 | Preparing business for strategic consideration and making the record of discussion, debate and resolutions | 2 years | <ul style="list-style-type: none"> Corporate Leadership Team minutes Task & Finish Group minutes | Common practice |
| SM1.3 | Preparing business for service, team or forum consideration and recording discussion, debate and resolutions | 3 years from closure | <ul style="list-style-type: none"> Directorate or Team meeting minutes Managers Forum minutes | Common practice |
| SM1.4 | Statutory Returns Preparing information to be passed on to central government as part of statutory requirements | 7 years from closure | <ul style="list-style-type: none"> Returns to Central Government | Statutory |
| SM1.5 | Policy, Procedures, Strategy and Structure Activities that develop policies, procedures, strategies and structures for the Local Authorities | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded Digital copies kept only | <ul style="list-style-type: none"> Policy, procedure, precedent, instructions Records relating to policy development & implementation Corporate and Service Plans and Strategies and Policies | Common practice |

2020 MDC Document Retention Schedule

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|-------|--|--|--|-----------------|
| SM1.6 | Process of monitoring and reviewing strategic plans, policies or procedures to assess their compliance with guidelines | 3 years after end of plan or policy | <ul style="list-style-type: none"> • Strategic Action Plans • Service specific improvement plans • Policy Reviews | Common practice |
| SM1.7 | Public Consultation Process of consulting the public and staff in the development of corporate policies or strategic plans | 2 years from closure | <ul style="list-style-type: none"> • Survey and questionnaire forms; list of consultees and responses • Citizens Panel feedback • Staff surveys & results | Common practice |
| SM1.8 | Process of consulting the public and staff in future budget development | 2 years from closure | <ul style="list-style-type: none"> • Budget Consultation papers • List of consultees and responses • Citizens Panel feedback | Common practice |

2020 MDC Document Retention Schedule

| SM2 Management | | | | |
|-----------------------|--|---|---|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| SM2.1 | Information Management Activity whereby standards, authorities, restraints and verifications are introduced and maintained to manage information effectively | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> • Classification Schemes • Registers • Indexes • Authorised Lists of File Headings | Common practice |
| SM2.2 | Management of collections of records transferred to the archives | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> • Accession Registers • Depositor Files | Common practice |
| SM2.3 | Process that records the disposal of records | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> • Disposal Certificates/logs/deeds | Common practice |
| SM2.4 | Feedback Management of enquiries, submissions and complaints which result in significant changes to policy or procedures | 2 years retention - i.e. the current year and previous year. | <ul style="list-style-type: none"> • Reports • Returns • Correspondence | Common practice |
| SM2.5 | Management of detailed responses on Council actions, policy or procedures | Destroy 2 years after administrative use is concluded | <ul style="list-style-type: none"> • Reports • Returns • Correspondence • Ombudsman | Common practice |

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|--------|---|--|---|-----------------|
| SM2.6 | Quality & Performance Management Monitoring or reviewing the quality, efficiency, or performance of a Council service | Destroy 3 years from closure | <ul style="list-style-type: none"> • Peer Reviews reports • Assessment / Inspection Reports | Common practice |
| SM2.7 | Process of assessing the quality, efficiency or performance of a Local Authority service | Destroy 3 years from closure | <ul style="list-style-type: none"> • Excellence assessments | Common practice |
| SM2.8 | Public Relations <u>Publications</u> - Design and setting of information for publication | Destroy 2 years after last action | <ul style="list-style-type: none"> • Proofs, templates of publications / promotional literature etc. | Common practice |
| SM2.9 | The published work of the Local Authority | Destroy after administrative use is concluded Note: one copy from the initial print run should go directly to the archive. | <ul style="list-style-type: none"> • Leaflets / guides produced • Strategies / Plans published | Common practice |
| SM2.10 | Media Relations Process of interaction with the media | Press releases to be kept permanently and considered for transfer to Archive/Museum after 5 years. Other correspondence to be reviewed for Archive or destruction after 3 years . | <ul style="list-style-type: none"> • Press releases • E-mail correspondence with the press | Common practice |
| SM2.11 | Marketing Process of developing and promoting Council campaigns and events | Destroy after administrative use is concluded <u>Note:</u> one copy from initial print run should go directly to archive | <ul style="list-style-type: none"> • Publicity flyers / posters • Guides | Common practice |
| SM2.12 | The process of organising a ceremonial event or civic occasion. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Consider transfer to Archive/Museum after 10 years . | <ul style="list-style-type: none"> • Itinerary • Invitations • Visitors' Book • Photographs | Common practice |

2020 MDC Document Retention Schedule

Strategic Housing

| SH1 Strategic Housing | | | | |
|--------------------------|---|--|---|---|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| SH1.1 | Housing Provision Process of dealing with Homeless applications | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Homeless Application Forms • Case Notes • Homelessness Decisions • Correspondence • Bank statements • Medical records • Benefits Information • Birth certificates • Passports • Immigration information • Other agency information | Statutory – Housing Act(s) |
| SH1.2 | Homelessness Reviews | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Homeless Application Forms • Case Notes • Homelessness Decisions • Correspondence • Bank statements • Medical records • Benefits Information • Birth certificates • Passports • Immigration information • Other agency information • Legal Judgement | Statutory – Housing Act(s) |

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|-------|--|---|---|----------------------------|
| SH1.3 | General Housing Advice | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Homeless Prevention Application Forms • Case Notes • Bank statements • Medical records • Benefits Information • Birth certificates • Passports • Immigration information • Other agency information | Statutory – Housing Act(s) |
| SH1.4 | Stock Transfer Records | Permanent Storage at MDC | <ul style="list-style-type: none"> • Agreement • Property Records | Common practice |
| SH1.5 | Copies of Statutory Housing Returns e.g. HIPSSA | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Copies of actual returns • Audit Trails | Common practice |
| SH1.6 | Statistical data for Housing performance indicators | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Copies of actual returns • Audit Trails | Common practice |
| SH1.7 | New Development | Destroy once development occupied | Land Registry Transfer of Title docs Nomination agreements Grant confirmation Viability assessments Customer satisfaction returns | Common practice |
| SH1.8 | Process of dealing with online Choice Based Lettings applications (Housing Register). | Destroy 6 years from closure of application Records retained for duration of 'active' application and inclusion on waiting list. Documents reviewed along with application every 12 months. Non-relevant and superseded documents destroyed. | CBL Application Form <ul style="list-style-type: none"> • Bank statements • Relevant medical information • Benefits Information • Birth certificates • Passports • Immigration information • Other agency information | Statutory – Housing Act(s) |
| SH1.9 | Process of dealing with Private | Destroy 7 years after completion of lease. | <ul style="list-style-type: none"> • Homeowner acceptance form | |

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| | Sector Leasing. | | <ul style="list-style-type: none"> • Grant spend invoice • Work specification • Nomination details | Statutory – Housing Act(s) |
| SH1.10 | Process of dealing with Empty Homes. | Retain for the duration for which there is an administrative requirement (i.e. property remain empty or proceedings being undertaken). | <ul style="list-style-type: none"> • Land Registry • Council tax empty property list • Letters to owners • Photographs of empty properties • Other letters and correspondence | Common practice |

2020 MDC Document Retention Schedule

Human Resources

| HR1 Human Resources | | | | |
|------------------------|---|---|--|---|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| HR1.1 | Employee Data: Personal Data / Files | <p>Destroy 7 years from the end of employment</p> <p>Retain for references and potential litigation.</p> <p>UPDATE: Due to <u>McCloud Judgement</u> and its potential impact on the LGPS; The Council will retain a complete payment history for every employee who was actively contributing to the pension scheme from 31 March 2014.</p> <p>This will be updated further once a judgement has been received.</p> <p>This update applies to Ref. No. HR1.1 – HR1.3, HR1.5 – HR1.26, HR1.28 and FM1.8.</p> | <p>Electronic personnel files for all employees, including disciplinary, grievance, capability and health management records. As standard personnel files include the following documents:</p> <ul style="list-style-type: none"> • Application form • Equal Opportunities Monitoring Form • References • Proof of right to work in UK / ID documents (such as passports, visas etc) • Form including emergency contact details and bank details • Occupational Health pre-employment fitness clearance • Evidence of skills and qualifications • Information regarding any disabilities disclosed and reasonable adjustments • Results of DBS checks where applicable • Results of BPSS checks where applicable • Training records • Medical / self-certificates and return to work forms • Contract of employment, written statement of terms and related correspondence • Contractual change documentation • Special leave forms • Bank details form • LGPS (pension) form | Common Practice |

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| | | | <ul style="list-style-type: none"> Local government continuous service confirmation Job description Probation documentation Personal relationship declarations Job description <p>Personal data held electronically on the HR database includes:</p> <ul style="list-style-type: none"> Name, address, contact details, date of birth, National Insurance number, emergency contact Equality and diversity data (e.g. gender, ethnic origin, disability, nationality, religion/belief, sexual orientation) Absence history Job history Training records Confirmation of LGPS membership | |
| HR1.2 | Employee Data: DBS & BPSS Checks | <p>Destroy after 6 months</p> <p>Retention period only 6 months to allow for the consideration and resolution of any related disputes or complaints.</p> | Proof that check took place to be maintained separately in secure storage. No details to be kept in employee file. Only retain details on personal file that check was carried out (denote on Appointment Checklist) and by whom, and whether it was satisfactory. | Information Commissioner's Office, Employment Code 2005 |
| HR1.3 | Employee Data: Basic employee record | <p>Destroy 20 years from the end of employment</p> <p>Retain for the provision of references, statistical historical purposes</p> | Employee start date, end date, reason for leaving job, job roles | Common Practice |
| HR1.4 | Recruitment: Application forms / interview notes (unsuccessful applicants) | <p>12 months from the date of interviews</p> <p>Retention period aligned to time limits for potential discrimination Acts related claims.</p> | Application forms / interview notes | Common Practice |

2020 MDC Document Retention Schedule

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| HR1.5 | Redundancy: Facts relating to redundancies | Destroy 7 years from the date of redundancy Retention period aligned to time limits on litigation. | Facts relating to redundancies including: <ul style="list-style-type: none"> • General details • Calculation of payments • Refunds | Common Practice |
| HR1.6 | Redundancy: Facts relating to redundancies where there are more than 20 redundancies | Destroy 12 years from the date of redundancy | Facts relating to redundancies including: <ul style="list-style-type: none"> • General details • Calculation of payments • Refunds • Notification to the Secretary of State | Statutory: Section 5 Limitation Act 1980 |
| HR1.7 | Employee Pay: Statutory Sick Pay records and calculations | Destroy 7 years from the end of employment NB: The Statutory Sick Pay (Maintenance of Records) (Revocation) Regulations 2014 (SI 2014/55) abolished the former obligation on employers to keep these records. The retention period is therefore recommended if there was a contractual claim for breach of employment contract. | All related records and calculations | Common Practice |
| HR1.8 | Employee Pay: Statutory Maternity Pay records and calculations | Destroy 3 years from the end of the tax year they relate to | All related records and calculations including: <ul style="list-style-type: none"> • Pay records • Calculations • Certificates (MatB1s) or other medical evidence | Statutory Maternity Pay (General) Regulations 1986 |
| HR1.9 | Employee Leave: Adoption records and supporting documents for maternity and paternity leave (not pay related) | Destroy 7 years from the end of employment | Documents related to: <ul style="list-style-type: none"> • Requests/declarations • Confirmation of leave • Adoption certificate | Common Practice |
| HR1.10 | Employee Leave: Parental Leave | Destroy 18 years from birth / adoption | All parental leave records | Common Practice |

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| | | Retention periods aligned to time limits on potential litigation | | |
| HR1.10 | Attendance: Records related to working time | Destroy 7 years from end of leave year in which it was taken. | Working time records including timesheets and overtime records | Statutory: Working Time Regulations 1998 (SI 1998/1833) |
| HR1.11 | Attendance: Other records related to staff leave | Destroy 7 years after action completed. | Sick leave Jury Service Study Leave Special / personal leave Territorial army / special constabulary / retained fire fighter leave | Common Practice |
| HR1.12 | Health Records: Health Records where the reason for termination of employment is connected with health | Destroy 7 years from the end of employment Retention periods aligned to time limits on potential litigation | All relevant health records | Common Practice |
| HR1.13 | Health Records: Medical records kept by reason of the Control of Substances Hazardous to Health Regulations 1999 | Destroy 40 years from the date of last entry | All relevant records | Statutory: The Control of Substances Hazardous to Health Regulations 1999 and 2002 (COSHH) (SIs 1999/437 and 2002/2677) |
| HR1.14 | Health Records: Medical records and details of biological tests under the Control of Lead at Work Regulations | Destroy 40 years from the date of last entry | All relevant records | Statutory: The Control of Lead at Work Regulations 1998 (SI 1998/543) as amended by the Control of Lead at Work Regulations 2002 (SI 2002/2676) |

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| HR1.15 | Health Records: Medical records under the Control of Asbestos at Work Regulations: medical records containing details of employees exposed to asbestos and medical examination certificates | Destroy 40 years from the date of last entry | All relevant records | Statutory: The Control of Asbestos at Work Regulations 2002 (SI 2002/2675). Also see the Control of Asbestos Regulations 2006 (SI 2006/2739) and the Control of Asbestos Regulations 2012 (SI 2012/632) |
| HR1.16 | Health Records: Medical records under the Ionising Radiations Regulations 1999 | Until the person reaches 75 years of age, but in any event for at least 50 years . | All relevant records | Statutory: The Ionising Radiations Regulations 1999 (SI 1999/3232) |
| HR1.17 | Trade Union Liaison: Employee and Industrial Relations Documents relating to industrial relations or disputes | Destroy 7 years after resolution of issue. | <ul style="list-style-type: none"> • Generic Agreements and Awards • Negotiations • Disputes • Claims Lodged | Common Practice |
| HR1.18 | Trade Union Liaison: Process of <u>minor and routine</u> industrial matters | Destroy 2 years after administration is concluded. | Daily industrial relations management | Common Practice |
| HR1.19 | Case Work File: Grievances | Review 7 years after date of last action (minimum retention). Head of People, Performance and Policy to determine if case file should continue to be retained and for how long. | Includes: <ul style="list-style-type: none"> • Investigation documentation • Case notes • Management reports • Proceedings where proven to be unfounded • Other related documentation | Statutory: Section 5 Limitation Act 1980 |
| HR1.20 | Case Work File: Disciplinary | Review 7 years after date of last action (minimum retention). Head of People, Performance and Policy to determine if case file should continue to be retained and for how long. | Includes: <ul style="list-style-type: none"> • Investigation documentation • Case notes • Management reports • Proceedings where proven to be unfounded • Warning letters | Statutory: Section 5 Limitation Act 1980 |

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| | | | Warnings to be removed from personnel files after the relevant time has 'spent' as per the Disciplinary Policy. | |
| HR1.21 | Case Work File: Disciplinary – Warnings involving children | In such circumstances records should be retained at least until the employee reaches normal retirement age , or for 10 years if that is longer. | Includes: <ul style="list-style-type: none"> Investigation documentation Case notes Management reports Proceedings where proven to be unfounded Warning letters | Statutory: Section 5 Limitation Act 1980 |
| HR1.22 | Case Work File: Disciplinary – Warnings involving vulnerable adults | In such circumstances records should be retained at least until the employee reaches normal retirement age , or for 10 years if that is longer. | Includes: <ul style="list-style-type: none"> Investigation documentation Case notes Management reports Proceedings where proven to be unfounded Warning letters | Statutory: Section 5 Limitation Act 1980 |
| HR1.23 | Equal Opportunities: Equal Employment Opportunities: The process of investigation and reporting on specific cases to ensure that obligations are in accordance with agreed Equal Opportunities guideline policies | Destroy 5 years after action completed | Case file / notes | Statutory: Section 5 Limitation Act 1980 |
| HR1.24 | Employee Performance: (Personal file) Performance Review and Performance Conversation Documentation | Destroy 7 years from the end of employment | Performance Review and Performance Conversation forms / documentation | Common Practice |
| HR1.25 | Job Evaluation: (Personnel file) | Destroy 7 years from the end of employment | Pay and conditions / grading review requested by employee including outcome and appeal | Common Practice |
| HR1.26 | Job Evaluation: (General file) | Destroy 15 years from job evaluation exercise and final grade approval (unless connected to a pay and conditions / grading review) | Job evaluation forms, job descriptions, rationale and assessments | Common Practice |

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| HR1.27 | Strategic HR Plans | Destroy 12 years after actions completed | Strategic HR plans | Common Practice |
| HR1.28 | Appointments of Statutory Officers: The appointment of an individual for a statutory position | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Appointment files | Statutory: Section 5 Limitation Act 1980 |
| HR1.29 | Appointments of Statutory Officers: The process of <u>selection</u> of an individual for a statutory position | Destroy 1 year after date of appointment (if process applicable – does not currently exist) | <ul style="list-style-type: none"> Vacancies and Application Records Interview Notes Prospective Staff Records Registers of Applicants Unsuccessful Applications Records | Statutory: Section 5 Limitation Act 1980 |
| HR1.30 | Training and Development: Routine staff training processes, not occupational health and safety or children related | Destroy 2 years after action Ongoing staff records are kept digitally on the HR system. | Course instructions Course evaluation | Statutory: Section 5 Limitation Act 1980 |
| HR1.31 | Training and Development: Training (concerning children) | Destroy 35 years after training completed, or last entry. | Course instructions Course evaluation Training register | Statutory: Section 5 Limitation Act 1980 |
| HR1.32 | Training and Development: Training (occupational health and safety training) | Individual course assessment records should be destroyed once the training has been renewed every 3 years . Ongoing staff records are kept digitally on the HR system. | Course evaluation OH&S training register | Statutory: Section 5 Limitation Act 1980 |
| HR1.33 | Off Payroll Workers Data: (Agency) | Destroy on termination of working arrangement | <ul style="list-style-type: none"> Proof of right to work in UK / ID documents (such as passports, visas etc) Contact details Emergency contact details DBS check - only retain details on personal file that | Common Practice Information Commissioner's Office, Employment Code 2005 (DBS Checks) |

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| | | | check was carried out (denote on Appointment Checklist) and by whom, and whether it was satisfactory. | |
| HR1.34 | Off Payroll Workers Data : (Consultants) | Retain 7 years after the tax year to which they relate | <ul style="list-style-type: none"> • Proof of right to work in UK / ID documents (such as passports, visas, etc.) • Contact details • DBS check - only retain details on personal file that check was carried out (denote on Appointment Checklist) and by whom, and whether it was satisfactory. | Common Practice |
| HR1.35 | Off Payroll Workers Data: HMRC Check | Retain 7 years after the tax year to which they relate | HMRC Off Payroll Workers On-line Check | Common Practice |
| HR1.36 | Off Payroll Workers Data: (Consultants) | Retain 7 years after working arrangement has terminated with organisation | Proof of Professional Indemnity Insurance and Public Liability Insurance | Common Practice |
| HR1.37 | Work Experience / Placement Individuals: (18 years and over) | Retain 2 years after arrangement has terminated with organisation | <ul style="list-style-type: none"> • Contact details • Emergency contact details • Date of birth • ID checks • DBS check - only retain details on personal file that check was carried out (denote on Appointment Checklist) and by whom, and whether it was satisfactory. • References (if applicable) • Pre-commencement health check (if applicable) | Common Practice |
| HR1.38 | Work Experience / Placement Individuals: (18 years and under) | Retain 2 years after arrangement has terminated with organisation | <ul style="list-style-type: none"> • Contact details • Emergency contact details • Date of birth • ID checks | Common Practice |

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| | | | <ul style="list-style-type: none"> • Young person's risk assessment • References (if applicable) • Pre-commencement health check (if applicable) | |
| HR1.39 | Zero Hours Workers Data | Retain 7 years after arrangement has terminated with organisation | Relevant data as per HR 1.1 | Common Practice |
| HR1.40 | Workplace Volunteers | Retain 2 years after arrangement has terminated with organisation | <ul style="list-style-type: none"> • Contact details • Emergency contact details • Date of birth • ID checks DBS check - only retain details on personal file that check was carried out (denote on Appointment Checklist) and by whom, and whether it was satisfactory. • Pre-commencement health check (if applicable) | Common Practice |

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Financial Management

FM1**Accounts & Audit**

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|---|--|---|
| FM1.1 | Reporting The process that consolidates financial transactions on an annual basis for corporate reporting purposes | Destroy 6+1 years after the financial year has ended. | <ul style="list-style-type: none"> Consolidated Annual Reports Consolidated Financial Statements Statement of Financial Position Operating Statements General Ledger | Common practice |
| FM1.2 | The process that supports and consolidates financial transactions on a periodic (less than annual) basis, superseding those from the previous period. Does not include journals and subsidiary ledgers and cash books | Destroy when administrative use is concluded | <ul style="list-style-type: none"> Consolidated Monthly & Quarterly Reports Consolidated Monthly & Quarterly Financial Statements Working Papers for the Preparation of the Above Monthly Accrual Statements Cash flow Statements Creditor Listings and Reports Debtor Listings and Reports Delivery Notes/Supplier Statements | Common practice |
| FM1.3 | Financial Transactions Management Management of the approvals process for purchase, including investigations | Destroy when administrative use is concluded | <ul style="list-style-type: none"> Appointments & Delegations Audit Investigations Arrangements for the provision of goods and/or services | Common practice |
| FM1.4 | Identification of the receipt, expenditure and write offs of public monies | Destroy 6+1 years after the conclusion of the financial transaction that the record supports | <ul style="list-style-type: none"> Allowances Work Orders Invoices Credit Card Statements | Statutory |

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| | | | <ul style="list-style-type: none"> • Cash Books • Receipts • Cheque Counterfoils • Bank Statements • Subsidiary Ledgers (Annual) • Journals (Annual) • Vouchers | |
| FM1.5 | Processes that balance and reconcile financial accounts | Destroy 3 years after administrative use is concluded | <ul style="list-style-type: none"> • Reconciliation • Summaries of Accounts | Common practice |
| FM1.6 | Taxation Records | Destroy 6+1 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Taxation Records • Motor Vehicle Logs • Fringe Benefits Tax Records • Group Certificates | Statutory |
| FM1.7 | Processes involved in the collection of National Insurance Number | As soon as no longer required. | <ul style="list-style-type: none"> • Notification and Input Records | Statutory |
| FM1.8 | Payroll Accountable processes relating to payment of employees | Destroy 6+1 years after the conclusion of the financial transaction that the record supports | <ul style="list-style-type: none"> • Authority Sheets • Payroll Deduction Authorities • Payroll Disbursement • Employee Pay Records • Employee Taxation Records | Statutory |
| FM1.9 | Non-accountable process relating to payment of employees | Destroy after administrative use is concluded | <ul style="list-style-type: none"> • Summary Employee Pay Reports • Dummy pay slips | Common practice |
| FM1.10 | Non-accountable process relating to payment of employees | Destroy after administrative use is concluded | <ul style="list-style-type: none"> • Summary Employee Pay Reports • Dummy pay slips | Common practice |

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| FM2 Financial Provisions | | | | |
|-------------------------------------|--|--|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| FM2.1 | Budgets and Estimates The process of finalising Local Authorities' Annual Budget | Destroy 6+1 year after relevant year has concluded. | <ul style="list-style-type: none"> Annual Budget | Common practice |
| FM2.2 | The process of developing Local Authorities' Annual Budget | Destroy 3 years after annual budget adopted by Local Authorities | <ul style="list-style-type: none"> Draft Budgets Departmental Budgets Draft Estimates | Common practice |
| FM2.3 | The process of reporting which examines the budget in relation to actual revenue and expenditure | Destroy after next year's Annual Budget has been adopted by Local Authorities | <ul style="list-style-type: none"> Quarterly Statements | Common practice |
| FM2.4 | Loans The activity of borrowing money to enable a Local Authority to perform its functions and exercise its powers | Destroy 6+1 years after the loan has been repaid [None held at present?] | <ul style="list-style-type: none"> Loan Files | Statutory |
| FM2.5 | Summary Management of loans | Destroy 6+1 years after administrative use is concluded | <ul style="list-style-type: none"> Loans Registers | Common practice |
| FM2.6 | Housing Mortgages | Last payment + 6+1 years if signed Last payment + 12 years if sealed | <ul style="list-style-type: none"> Mortgage Agreements Correspondence | Statutory |
| FM2.7 | Home Improvement Grants | Destroy 6+1 years after last payment for grants under £50,000. For grants over £50,000 destroy 12 years after last payment Where plans and detailed drawings included offer to Archivist | <ul style="list-style-type: none"> Agreement to Pay Loan Details of Payment Correspondence Relating to Loan Approval notice Application documents | Statutory |

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| FM2.8 | Council Tax Valuation The valuation of rateable land within a municipal district for the purpose of the making of the rate | Valuation lists – Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> • Rate Books • Rate Cards • Register of Rateable Properties | Statutory |
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| FM3 Revenues & Benefits | | | | |
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| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| FM3.1 | Council Tax and Non Domestic Rate Administration The activity corresponding with ratepayers and Council Tax Payers in relation to liability, objections, submissions, appeals, discounts, reductions, exemptions and other related matters. | Electronic records – destroy 6 years after the end of the financial year in which the records relate Paper records after scanning – destroy 3 months after the records have been scanned (for QA process). | <ul style="list-style-type: none"> • Notices • Objections • Applications • Correspondence • Council Tax and Non Domestic Rate Property Files • Tax and Interest information | Statutory Common practice |
| FM3.2 | Housing Benefit and Council Tax Benefit/Support The activity corresponding with claims for Housing/Council Tax Benefit and/or Local Council Tax Support(LCTS), appeals, requests for reconsideration of decisions, records of investigations and visits | Electronic records – Destroy 6 years after the end of the financial year in which the records relate Paper records after scanning – destroy 3 months after the records have been scanned (for QA process). | <ul style="list-style-type: none"> • Benefit/LCTS claim forms • Letters • Appeals and requests for reconsiderations • Copies of evidence used for verification of claim • Records of visits and investigations | Statutory |
| FM3.3 | Council Tax / Non Domestic / Housing/Council Tax Benefit & Local Council Tax Support Statutory and Statistical Returns | Electronic records – Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Stats 128 • Stats 121 • Stats 122 • Stats 124 • QRC4 • NNDR1 • NNDR3 • CTB1 | Common practice |
| FM3.4 | Housing/Council Tax Benefit Financial returns The process that consolidates financial transactions on an annual basis for the purposes of the initial, revised and final subsidy claim to the Department of Work | Destroy 6 years after the end of the financial year in which the records were created | <ul style="list-style-type: none"> • Estimate submission • Final signed subsidy claim • Final Audited subsidy claim | Statutory |

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| | and Pensions | | | |
| FM3.5 | Fraud Investigation Records relating to the investigation and any subsequent sanction, penalty or prosecution | No fraud proved – Destroy 12 months from closure of file Penalty or sanction – Destroy 3 years from date accepted by claimant Prosecution – Destroy immediately after the conclusion of proceedings (after the appeal period has passed) from date of conviction or for the duration of the conditional discharge | <ul style="list-style-type: none"> • File records • Interview notes • IUC Tapes | Common practice |

2020 MDC Document Retention Schedule
Council Asset & Infrastructure Management

| AI 1 Property Acquisition & Disposal | | | | |
|---|---|--|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 1.1 | <u>Acquisitions</u> Assets over £50,000 Any papers concerning the management of the acquisition (by financial lease or purchase) process for assets and real property | Destroy 12 years , after all obligations / entitlements are concluded | <ul style="list-style-type: none"> • Legal Documents Relating to the Purchase / Sale • Particulars of Sale Documents • Survey particulars • Leases • Applications for Leases, Licences & Rental Revision • Tender Documents • Conditions of Contracts • Certificates of Approval | Statutory RGLA 7.29 Limitations Act 1980 |
| AI 1.2 | Assets under £50,000 | Destroy 6 years , after all obligations / entitlements are concluded | As above | Statutory RGLA 7.29 Limitations Act 1980 |
| AI 1.3 | Deeds | Permanent retention – in Strong Room | <ul style="list-style-type: none"> • Deeds and associated documentation | |
| AI 1.4 | <u>Disposal</u> Assets over £50,000 Documents relating to the management of the disposal (by sale or write off) process for assets and real property | Destroy 12 years , after all obligations / entitlements are concluded | <ul style="list-style-type: none"> • Legal Documents Relating to the Purchase / Sale • Particulars of Sale Documents • Survey particulars • Leases • Applications for Leases, Licences & Rental Revision • Tender Documents | Statutory RGLA 7.29 Limitations Act 1980 |

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| | | | <ul style="list-style-type: none"> • Conditions of Contracts • Certificates of Approval | |
| AI 1.5 | Assets under £50,000 | Destroy 6 years , after all obligations / entitlements are concluded | As above | Statutory RGLA 7.29 Limitations Act 1980 |
| AI 1.6 | Sale or write off of property Management of the disposal (by sale or write off) process for real property | Destroy 15 years , after all obligations / entitlements are concluded | <ul style="list-style-type: none"> • Legal Documents relating to the purchase / sale • Particulars of Sale Documents • Survey particulars • Tender Documents • Conditions of Contracts | Common practice RGLA 8.3 |

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| AI 2 Land & Property Management | | | | |
|--|---|---|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 2.1 | Accessibility Documentation and information relating to the access of property owned by the Council | Destroy - 7 years from closure | <ul style="list-style-type: none"> Key-holder Information Details of Contractors | Common practice |
| AI 2.2 | Building surveys Data collected from surveys conducted on council buildings | Destroy - 7 years from closure | <ul style="list-style-type: none"> Condition Surveys Warranties | Common practice |
| AI 2.3 | Certification Certificates of approval | Destroy - 7 years from closure | <ul style="list-style-type: none"> Statutory Surveys | Common practice |
| AI 2.4 | Energy management Within Council property | Destroy - 7 years from closure | <ul style="list-style-type: none"> Council's Energy Management contract Energy Performance Certification | Common practice |
| AI 2.5 | Equipment disposal Process involved in the disposal of Council equipment | Destroy - 7 years from closure | <ul style="list-style-type: none"> Agreements to dispose of equipment | Common practice |
| AI 2.6 | Internal agreements Specific to internal agreements concerning Council property | Destroy - 7 years from closure Normally reviewed annually or periodically during life of agreement. Destroy 2 years after expiry of agreement. | <ul style="list-style-type: none"> Internal SLAs / internal departmental agreements | Common practice |

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| AI 2.7 | Land and property history Historical documents about Council owned land and property | Retain for life of property or building plus 12 years . Consider transfer to Essex Records Office depending upon nature of document/building before destruction. | <ul style="list-style-type: none"> Plans | Common practice RGLA 8.2 |
| AI 2.8 | Leasing The process of managing leased property | Destroy 15 years after the expiry of the lease | <ul style="list-style-type: none"> Lease agreements Valuation queries Applications for leases/licences | Common practice RGLA 8.8 |
| AI 2.9 | Managing the occupancy of property | Destroy 7 years after the conclusion of the transaction that the record supports | <ul style="list-style-type: none"> Requests for Works, Cleaning etc. | Common practice RGLA 8.9 |
| AI 2.10 | Property management and renovation Buildings and estates of 'special interest' Other buildings and estates | Transfer to place of deposit after administrative use is concluded Retain for the life of the building | <ul style="list-style-type: none"> Project Specifications Plans Installation Manuals Certificates of Approval Work Orders Tender Documents Conditions of Contract | Common practice RGLA 8.5 RGLA 8.6 |
| AI 2.11 | Security Security and processes related with security of the council's property | Destroy 7 years after the conclusion of the process that the record supports. | Documentation held by Facilities Management | Common practice |
| AI 2.12 | Usage statistics Any data held concerned with usage of Council land property | Destroy - 3 years after expiry of lease / agreement | Documentation held by occupier, if requested | Common practice |
| AI 2.13 | Valuations Valuation documentation and statistics | Destroy - 6 years from end of financial year after disposal of property | Valuations on disposal | Common practice |

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| AI 3 Maintenance of Council Property | | | | |
|---|---|--|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 3.1 | Maintenance Instruction manuals related to council property | Destroy - 7 years after last action | <ul style="list-style-type: none"> • Instruction manuals | Common practice RGLA 7.27 |
| AI 3.2 | Planned maintenance Relating to the process of managing and undertaking planned maintenance of property | Destroy - 7 years after last action | <ul style="list-style-type: none"> • Cleaning • Painting • Garden maintenance | Common practice RGLA 7.27 |
| AI 3.3 | Refurbishment Relating to the process of managing and undertaking planned renovations and development of property | Destroy - 7 years after last action | <ul style="list-style-type: none"> • Work orders • Tender documents • Conditions of contracts | Common practice RGLA 8.7 |
| AI 3.4 | Responsive maintenance Relating to the process of managing and undertaking emergency maintenance of property | Destroy - 7 years after last action | <ul style="list-style-type: none"> • Cleaning • Painting • Garden maintenance | Common practice RGLA 7.27 |

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| AI 4 Information & Communication Technology | | | | |
|--|---|---|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 4.1 | ICT Systems Management Computer Systems documentation | Destroy after 2 years | <ul style="list-style-type: none"> Release notes & associated implementation documents | Common practice |
| AI 4.2 | Project documentation for system(s) implementation | Destroy after 6 years | <ul style="list-style-type: none"> Implementation Plan Project initiation Document (PID) Project documentation & notes Software Licensing Agreements | Common practice |
| AI 4.3 | Technical data relating to Information & Communication infrastructure | Reviewable Destroy records as they become obsolete or are no longer required. | <ul style="list-style-type: none"> Supplier details | Common practice |
| AI 4.4 | Records of internet use | Delete 3 months (recurring 99 days as per system) | | Common practice |
| AI 4.5 | E-mail records | Destroy 6 years after date of email | | Common practice |

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| AI 5 Transport Management | | | | |
|--------------------------------------|--|--|---|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 5.1 | Transport Management - The process of managing allocation and maintenance of vehicles | Destroy 7 years after the sale or disposal of the vehicle | <ul style="list-style-type: none"> • Approvals as Drivers • Allocations & Authorisations for Vehicles • Maintenance | RGLA 8.15 |
| AI 5.2 | Acquisition and disposal of vehicles through lease or purchase | Destroy 7 years after the disposal of the vehicle | <ul style="list-style-type: none"> • Leases • Contracts • Quotes • Approvals • Fleet Authorisation Numbers | RGLA 8.14 |
| AI 5.3 | Recording vehicle usage | Destroy 3 years after the sale or disposal of the vehicle | <ul style="list-style-type: none"> • Vehicle Usage Reports | RGLA 8.16 |
| AI 5.4 | Recording drivers usage | Destroy 7 years after closure | <ul style="list-style-type: none"> • Vehicle Log Book | RGLA 8.17 |

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| AI 6 Insurance | | | | |
|---------------------------|---|---|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 6.1 | Policy Management The summary management of insurance arrangements | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Insurance Policies | Statutory |
| AI 6.2 | The process of insuring Local Authority Officers, property, vehicles and equipment against negligence, loss or damage | Destroy 6+1 years after the terms of the policy have expired | <ul style="list-style-type: none"> Insurance Register Correspondence | Statutory |
| AI 6.3 | The process of renewing insurance policies | Destroy 6+1 years after the insurance policy has been renewed | <ul style="list-style-type: none"> Insurance Policy Renewal Records Correspondence | Statutory |
| AI 6.4 | Claims Management The process that records insurance claims against the Local Authority or Local Authority Officers | Destroy 6+1 years after all obligations/entitlements are concluded (allowing for the claimant to reach 25 years of age) | <ul style="list-style-type: none"> Claims Records Correspondence | Statutory |

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| AI 7 Health & Safety | | | | |
|-------------------------------------|--|---|---|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 7.1 | Inspections and Assessments Process of inspecting equipment to ensure it is safe | Destroy 6 years from disposal of the equipment | <ul style="list-style-type: none"> Equipment Inspection Records | Common practice |
| AI 7.2 | Process of carrying out monitoring to ensure that a work process is safe | Keep for 21 years before considering destruction | <ul style="list-style-type: none"> Monitoring Results Inspection reports Maintenance records | Common practice |
| AI 7.3 | Process of monitoring of areas where employees and persons are likely to have become in contact with asbestos | SRP - Destroy 40 years from date of last entry | <ul style="list-style-type: none"> Property Asbestos Files Health Surveillance reports Medical records under Control of Asbestos at Work Regs. | Statutory |
| AI 7.4 | Process of monitoring of areas where employees and persons are likely to have come in contact with radiation | SRP – Retain until the person reaches 75 years of age but in any event for at least 50 years | <ul style="list-style-type: none"> Radon Monitoring Health Surveillance reports Medical reports under Ionising Radiations Regs. 1999 | Statutory |
| AI 7.5 | Process to ensure safe systems of work | Retain until superseded or process ceases +1 year | <ul style="list-style-type: none"> Departmental Procedure Notes Method Statements | Common practice |
| AI 7.6 | Process to assess the level of risk | Destroy 3 years from last assessment | <ul style="list-style-type: none"> Risk Assessment | Common practice |
| AI 7.7 | Permits to work | Destroy 3 years from last action or expiry before considering destruction | <ul style="list-style-type: none"> Fire Safety Certificates First Aid Certificates | Common practice |
| AI 7.8 | Reporting of accidents | SRP – 3 years from the date of the last entry (or if the accident involves a child/young adult then until that person reaches age of 21 years). | <ul style="list-style-type: none"> Accident Books Accident records/reports | Common practice |

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| AI 8 Emergency Planning | | | | |
|------------------------------------|--|--|---|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| AI 8.1 | Emergency Plan Process to develop the emergency / disaster plan for the local community | Destroy when plan superseded | <ul style="list-style-type: none"> Civil Emergency Plan Business Continuity Plan | Common practice |
| AI 8.2 | Process of recording the results of the test for emergency/disaster plan for the local community | Destroy 3 years after closure or until similar test is undertaken, whichever is the longest. | <ul style="list-style-type: none"> Exercise Orders Results of Exercise Action Plan | Common practice |
| AI 8.3 | Incident Monitoring Activities that report on all major incidents in the local community, whether the Emergency Plan has been invoked or not. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Longer-term consider transfer to Archive/Museum of local history. | <ul style="list-style-type: none"> Incident Log | Common practice |
| AI 8.4 | Activities that report on all minor incidents in the local community, whether the Emergency Plan has been invoked or not. | Destroy 7 years after closure | <ul style="list-style-type: none"> Exercise Orders Results of Exercise Action Plan | Common practice |
| AI 8.5 | Staff contact details on FastSMS system used to alert staff in cases of emergency of disaster recovery plan initiation. | Remove from system when leaving organisation | <ul style="list-style-type: none"> Staff telephone numbers | Common practice |

2020 MDC Document Retention Schedule

General Public Services

GPS1**Investigation & Licensing**

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|--|---|---|
| GPS1.1 | Enforcement, Certification and Prosecution Summary management systems that allow the monitoring and management of registration, certification and licenses registration requirements in summary form | Retain for as long as there is an administrative purpose (min 3 years) | <ul style="list-style-type: none"> Public register HMO Licensing/Inspections Housing Act orders Private water supply Environmental permitting Nuisances | Statutory/Common practice |
| GPS1.2 | The administration of applications, registration, certification and licenses in relation to Local Authorities' registration requirements | Destroy 2 years after registration or entitlement lapses | <ul style="list-style-type: none"> Applications for Animal Registration Applications for registration of a Business Premises Registers Certificates of Registration of Taxi Drivers Gaming Licensing | Statutory/Common practice |
| GPS1.3 | The process involved in licensing sites for the holding or use of toxic or hazardous substances (including petroleum, agricultural chemical products or herbicides) | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded – 60 years after registration or entitlement lapses | <ul style="list-style-type: none"> Diesel Licenses Petroleum Licenses Health and Safety Licensing Hazardous Substances Contaminated Land Register/Pollution | Statutory |
| GPS1.4 | Notification The process of issuing notices to citizens with respect to particular responsibilities | Destroy 2 years after the matter is concluded | <ul style="list-style-type: none"> Fire Prevention Notices Fire Prevention Infringement Notices Objections to Notices Appeals Against Notices Registration of Premises Infringement Notices Animal Impounding Notices | Common practice |

2020 MDC Document Retention Schedule

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|--------|---|---|--|-----------------|
| GPS1.5 | Investigation, Inspection and Monitoring The process of investigation and monitoring where inspection is the Council's responsibility by law. | Destroy 7 years from last action | <ul style="list-style-type: none"> • Inspection records • Certificates of compliance | Common practice |
| GPS1.6 | Prosecution The process of prosecution or sanction of an individual or organisation for failing to comply with their legal responsibilities | Destroy 6 years from last action | <ul style="list-style-type: none"> • Prosecution / Sanction Files • FPN/PCN Files • Files relating to sanctions issued by CPOs (i.e. dog fouling, fly tipping, littering, etc.) | Statutory |

2020 MDC Document Retention Schedule

GPS2
Cemeteries

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|--|---|---|
| GPS2.1 | Cemeteries Summary management systems that record the location of burials, identity of deceased individuals | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Register of Interments Cemetery Register Cemetery Plans Exhumation records | Statute |
| GPS 2.2 | The process of regulation of burials | Destroy 5 years after last action | <ul style="list-style-type: none"> Permits Applications Orders | Common practice |
| GPS 2.3 | Tributes Application, installation and maintenance of tributes (i.e. benches & plaques, etc.) | Destroy 5 years after last action* *Basic register of tributes kept permanently to assist informing those placing such tributes of any deterioration, damage, requirements to re-locate, etc. | <ul style="list-style-type: none"> Permits Applications Details of location, type, inscription | Common practice |

GPS3
Waste Management

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|--|--|---|---|
| GPS3.1 | Waste Collection The process of arranging the collection or transportation of household waste | Destroy 3 years after last action taken | <ul style="list-style-type: none"> Abandoned Vehicles Bulky Waste Domestic Waste | Common practice |
| GPS3.2 | The process of arranging the collection or transportation of controlled waste | Destroy 6 years after last action taken | <ul style="list-style-type: none"> Inspections, Weighbridge tickets Duty of Care | Common practice |

2020 MDC Document Retention Schedule

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|--------|---|--|---|----------------------------|
| GPS3.3 | The process of managing the Waste Transfer Site | Externally required returns – destroy after 6 years Internally required records (as per EA Permit) – destroy after 2 years | <ul style="list-style-type: none"> • Environment Agency returns • Waste Data Flow returns • Household Waste & Recycling Statistics • Fly-tipping data • Accepted waste • Rejected waste • Despatched waste • Site diary | Statutory Statutory |
| GPS3.4 | The processing of managing optional waste collection services | <ul style="list-style-type: none"> • Green waste - Destroy 2 years after last action taken • Clinical waste – Destroy 6 months after end of service delivery • Fly tipping – 3 years | <ul style="list-style-type: none"> • Green waste collection • Clinical waste collection • Fly tipping | Common practice |

2020 MDC Document Retention Schedule

Planning & Development

PD1**Spatial Planning**

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|--|--|---|
| PD1.1 | Developing and producing Planning Policy documents setting out a vision, strategic direction and policy framework for the existing and future land use within the District. | Permanent Storage at MDC when plan superseded. | <ul style="list-style-type: none"> Local Development Plan Local Development Scheme Supplementary Planning Guidance. Background evidence to Plan preparations - research studies and surveys | Town & Country Planning Act 1990 |
| PD1.2 | Public and stakeholder consultation to gain approval for Planning Policy documents | Permanent Electronic Storage at MDC Representations are often requested after the Plans have been adopted and are reference points for other planning inquiries and enquiries. Archive on website | <ul style="list-style-type: none"> Public Consultation Documents Public Consultation Representations Public Inquiry Documents – statements and evidence | Town & Country Planning Act 1990 |
| PD 1.3 | Natural and built heritage listing The activity of recording information on specific sites/areas of special interest including historic buildings, monuments and ecology. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. | <ul style="list-style-type: none"> Historic Listed Buildings Register Buildings at Risk Register Building Preservation Notices Conservation Area Designations - Appraisals and Plans Listed building records Sites and Monuments Records Archaeological Records Ecological Records Species Records Definitive maps | Common practice RGLA 10.3 |

2020 MDC Document Retention Schedule

| PD2 Development Management | | | | |
|---------------------------------------|---|--|--|--|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| PD 2.1 | Planning application registration & processing The process of controlling development of areas through applications for planning permission, prior approvals, listed building consent, advertisement consent, certificates of lawfulness and other such permissions | Transfer Planning Application register to Permanent Storage at MDC once the register has been completed (or at arranged intervals if it is held electronically). Scan all documentation. | <ul style="list-style-type: none"> • Planning Application Register • Planning Application Files and Plans • Decision Notices • Correspondence Relating to Any Objections • S.106 agreements • Article 4 Directions | Common practice RGLA 10.6 |
| PD 2.2 | Application processing related to planning appeals including enforcement appeals and other such proceedings lodged with the Planning Inspectorate. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Scan all documentation. | <ul style="list-style-type: none"> • Planning appeal files | Limitations Act 1980 |
| PD 2.3 | Pre-Application Enquiries and consultation communication relating to matters within other authorities. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Scan all documentation. | <ul style="list-style-type: none"> • Pre-application discussions and documents | Common practice |
| PD 2.4 | The process of enforcing planning, building or land regulations | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Scan all documentation. | <ul style="list-style-type: none"> • Enforcement Notices • Stop Notices • Breach of Condition Notices • Section 215 Notices | Common practice |

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| PD 2.5 | The process of protecting specific trees or a particular area, group or woodland, or hedges from deliberate damage or destruction. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Scan all documentation. | <ul style="list-style-type: none"> Tree Preservation Orders S.211 notices – work to trees in a Conservation Area Hedgerow Retention Notices | Common practice RGLA 10.7 |
|-----------------------------------|--|--|--|---|
| PD 2.6 | The process of approving applications for grants to historic buildings | Destroy 5 years after administrative use concluded | <ul style="list-style-type: none"> 1962 Act Historic Buildings Grant applications and correspondence | Common practice |
| PD3 Land Charges | | | | |
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| PD 3.1 | Producing an official Local Authority Search result & maintaining a statutory register The process of investigating any information held by the Council pertaining to a specific property or parcel of land. | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded. Scan all documentation. | <ul style="list-style-type: none"> Statutory register of Local Land Charges searches | Land Charges Act 1975 |
| PD 3.2 | The retention of Local Authority search results and information provided by other departments and external organisations for verification purposes . | 10 years retention of Electronic document Permanent retention of electronic data on TLC or relevant land charges system. | <ul style="list-style-type: none"> Copies of completed Local Land Charge searches | Land Charges Act 1975 |

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| PD4 Street Naming & Numbering | | | | |
|--|---|---|---|---|
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| PD4.1 | Street naming and numbering Documentation on the street naming development naming and property numbering/naming | Permanent Storage at MDC in either electronic or paper format | <ul style="list-style-type: none"> Street Files Street Records Requests for: <ul style="list-style-type: none"> Naming of Streets Numbering of Houses | Common practice |
| PD5 Building Control | | | | |
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| PD5.1 | The process of regulating the planned use of land or buildings and inspecting building work to ensure compliance | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Building Control Registers Building Regulation Full Plans Building Notices Inspection Reports | Building Act 1984 & Building Regulations 2000 |
| PD5.2 | The process of approving Building Control applications in relation to Listed Buildings | Permanent Storage at MDC Transfer to place of deposit after administrative use is concluded | <ul style="list-style-type: none"> Building Files Plans Specifications Correspondence Applications Permits Certificates | Building Act 1984 & Building Regulations 2000 RGLA 10.10 |

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| PD5.3 | The process of approving Building Control applications for all other buildings | These can be destroyed 15 years after construction completed, but our policy will be to retain for the time being to enable historic information to be provided and to consider the extent of scanning of all historic files to be scanned on the Document Management System (Comino) before they are destroyed. Note retention of pre-1974 files held by MDC as these include Planning Application records which require permanent storage . | <ul style="list-style-type: none"> • Building Files • Plans • Specifications • Correspondence • Applications • Permits • Certificates | Building Act 1984 & Building Regulations 2000 RGLA 10.11 & 10.12 |
|---|---|---|--|---|
| PD5.4 | The process of inspecting building work for the purpose of ensuring compliance | Destroy 15 years after the issue of a completion certificate | <ul style="list-style-type: none"> • Completion Certificate • Building Inspection Records | Building Act 1984 & Building Regulations 2000 |
| PD6 Economic Development & Promotion | | | | |
| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
| PD6.1 | Advice to business Information on providing advice to new and existing businesses | Destroy – 7 years after scheme to which information relates is completed | <ul style="list-style-type: none"> • Promotional leaflets • Correspondence | Common practice |
| PD6.2 | Business awards Information regarding business awards and grants | Destroy – 7 years after scheme to which grant relates is completed | <ul style="list-style-type: none"> • Nomination forms • Promotional literature • Grant award material | Common practice |
| PD6.3 | Business development Information about activities designed to develop and encourage business development. Including externally funded projects and sustainability | Destroy – 7 years after scheme to which grant relates is completed | <ul style="list-style-type: none"> • Business associations • Business Fairs | Common practice |

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|-------|---|--|---|-----------------|
| | | | | |
| PD6.4 | Business development Information about activities designed to develop and encourage business development. Including externally funded projects and sustainability | Destroy – 7 years after scheme to which grant relates is completed | <ul style="list-style-type: none"> • Business associations • Business Fairs | Common practice |
| PD6.5 | Regional Development Participation in sub/ regional regeneration developments and forums | Destroy – 7 years after scheme to which grant relates is completed | <ul style="list-style-type: none"> • Project files • Forum agendas, papers and minutes | Common practice |
| PD6.6 | Business Intelligence The collection and management of economic and social data about the District | Destroy 20 years after the material is collected | <ul style="list-style-type: none"> • Socio economic data • Business surveys, responses & analysis | Common practice |

2020 MDC Document Retention Schedule
Safeguarding Children & Vulnerable Adults

S1
Safeguarding Children & Vulnerable Adults

| Ref. No | Function Description | Retention Action / Retention Period | Examples of Records | Statutory Retention Period or Common practice |
|---------|---|--|---------------------|---|
| S1.1 | Safeguarding children & vulnerable adults The process of protecting children and vulnerable adult's health, wellbeing and human rights, and enabling them to live free from harm, abuse and neglect. | 100yrs from date of birth. | | Good practice |
| S1.2 | Welfare concerns that are referred to Social Care or the Police. E.g. this would include concerns about physical, sexual, emotional or neglect of a child or physical, sexual, emotional, neglect, institutional, financial or discriminatory of a vulnerable adult, disclosures from a child or vulnerable adult about being abused or information from a third party which might suggest a child or vulnerable adult is being abused; concerns about a parent or another adult that uses our services, or a young person who has been abused by another young person. | Records should be kept for 6 years after the last contact with the service user unless longer retention is required to comply with any other statutory requirements, information contained therein is relevant to legal action which has been started, are archived for historical purposes, consist of a sample of records maintained for the purpose of retrospective comparison, involve the transfer of significant information with subject identification, on to aggregated files, relate to individuals and providers of services who have or whose staff have been judged to be unsatisfactory, or are held in order to provide the subject aspects of his or her personal history. | | Good practice |
| S1.3 | Welfare concerns that Community Services decide, after consultation, do not necessitate a referral to Social Care or the Police. In such circumstances a record should be made of the concern and the outcome. | Destroy the record 6 years after the child/vulnerable adult concerned ceases to use the service, unless the child or adult are continuing to use the services in the area that the referral initiated from. | | Good practice |

2020 MDC Document Retention Schedule

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|------|--|---|---|-----------|
| S1.4 | <p>Concerns about people (paid and unpaid) who work with children, young people or vulnerable adults, for example, allegations, convictions, disciplinary action, inappropriate behaviour towards or vulnerable adults.</p> <p>E.g. where an employee has breached the code of conduct, a record of the behaviour, the action taken and outcome should be recorded.</p> | <p>Personnel files and training records (including disciplinary records and working time records) - retain for 6 years after employment ceases.</p> <p>However the records should be retained for a longer period if any of the following apply:</p> <ul style="list-style-type: none"> • There were concerns about the behaviour of an employee where s/he behaved in a way that has harmed, or may have harmed, a child or vulnerable adult; • The employee possibly committed a criminal offence against, or related to, a child or vulnerable adult; • The employee behaved towards a child or vulnerable adult in a way that indicates s/he is unsuitable to work with children or vulnerable adults <p>In such circumstances records should be retained at least until the employee reaches normal retirement age, or for 10 years if that is longer.</p> | <ul style="list-style-type: none"> • Personnel files and training records (including disciplinary records and working time records). | Statutory |
| S1.5 | <p>Disclosure and Barring Service checks obtained as part of the vetting process.</p> | <p>The actual disclosure form must be destroyed after 6 months. However, it is advisable that organisations keep a record of the date of the check, the reference number, the decision about vetting and the outcome.</p> | | Statutory |

2020 MDC Document Retention Schedule**Version History**

| Version Number | Date | Change |
|----------------|------------|---|
| 1.01 | 8/01/2018 | S1.3 – Amend retention period to 6 years. |
| 1.02 | 17/1/18 | Safeguarding retention periods revised. |
| 1.03 | 14/3/18 | GPS3.3-4 retention periods amended |
| 1.04 | 25/4/18 | LC2.1-2.3 amended |
| 1.05 | 5/6/18 | HR Section updated. |
| 1.06 | 04/02/2020 | Updated due to McCloud Judgement and its potential impact on the LGPS. As noted at page 25. |
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REPORT of DIRECTOR OF RESOURCES

to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021

DISCRETIONARY FEES AND CHARGES 2021 / 22

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to review the fees and charges set at the discretion of the Council that generate greater than £2,000.
- 1.2 Fees and Charges that generate less than £2,000 are reviewed and set by the Director of Resources under delegated powers.

2. RECOMMENDATIONS

To the Council:

- (i) That the detailed Fees and Charges for 2021 / 22 as set out in **APPENDIX A** be agreed, subject to recommendation (ii).
- (ii) That the options for wharfage fees outlined in section 4 of this report are considered and a fee agreed to be put forward to the Council.

3. SUMMARY OF KEY ISSUES

- 3.1 The proposed fees and charges for 2020 / 21 are set out in **APPENDIX A** and are based on the policy decisions recently updated and agreed by this Committee on 19 November 2020.
- 3.2 The 2020 / 21 and 2021 / 22 budgets for income generated from these fees and charges are detailed in the following table;

| Area of Income | 2020/21 Budget £'000 | 2020/21 Forecast £'000 | Variance £'000 | 2021/22 Budget £'000 |
|----------------------------------|-------------------------------------|---------------------------------------|---------------------------|-------------------------------------|
| Environmental Protection | 7 | 7 | 0 | 7 |
| Food Safety and Hygiene | 2 | 1 | -1 | 2 |
| Taxis and Private Hire licencing | 35 | 29 | -6 | 35 |
| Premises Licencing | 52 | 50 | -2 | 53 |
| Animal Licencing | 14 | 14 | 0 | 14 |
| Gambling licencing | 3 | 3 | 0 | 3 |

| Area of Income | 2020/21 Budget £'000 | 2020/21 Forecast £'000 | Variance £'000 | 2021/22 Budget £'000 |
|-------------------------|----------------------------|------------------------------|-------------------|----------------------------|
| Pest Control | 33 | 25 | -8 | 33 |
| Green Waste Bin Service | 535 | 583 | 48 | 672 |
| Funfairs and Circuses | 77 | 15 | -62 | 77 |
| River Moorings | 19 | 19 | 0 | 19 |
| River Wharfage | 29 | 32 | 3 | 32 |
| Land Charges | 124 | 95 | -29 | 124 |
| Pre-Application Advice | 44 | 30 | -14 | 44 |
| Building Control | 144 | 144 | 0 | 152 |
| Cemeteries | 138 | 138 | 0 | 138 |
| Town Centre Car Parks | 1,236 | 821 | -415 | 1236 |
| Parks sports pitches | 8 | 8 | 0 | 8 |
| Beach Huts | 36 | 0 | -36 | 36 |
| Splash Park | 110 | 0 | -110 | 110 |
| | 2,646 | 2,014 | -632 | 2,795 |

- 3.3 The table shows the loss of income from fees and charges-expected to be down on budget by £632,000 in 2020 / 21. This is due to reduced activity caused by the COVID-19 pandemic rather than the fees and charges rates themselves.
- 3.4 Although the table is showing no change in income from year to year for cemeteries income, many new charges are being introduced in place of old ones, as listed in **APPENDIX A**.
- 3.5 The total income in the table excludes those generated from statutory fees and charges.
- 3.6 To assist in identifying and understand the changes, a summary of these is available at **APPENDIX B**.

4. WHARFAGE FEES

- 4.1 Following a meeting of the Finance Working Group on 7 January 2021, proposed changes to the wharfage fees were put forward. Suggested options were to keep the charges the same, reduce them by 25% and reduce them by 50%.
- 4.2 The charges these relate to and financial implications of the reductions are shown below. The implications are based on 6 barges paying annual fees.

| | Current Fee £ | 25% Lower £ | 50% Lower £ |
|--|------------------|----------------|----------------|
| Annual fees: Available to Fully Rigged Thames Sailing barges operators only | 3,575.00 | 2,681.25 | 1,787.50 |
| Monthly fees: Available to Fully Rigged Thames Sailing barges operators only | 328.00 | 246.00 | 164.00 |
| Annual Income based on 6 barges paying annual fees | 21,450.00 | 16,087.50 | 10,725.00 |

| | Current Fee £ | 25% Lower £ | 50% Lower £ |
|---|--------------------------|------------------------|------------------------|
| Annual Income Lost from Reductions | 0 | -5,362.50 | -10,725.00 |
| <i>Daily Income Lost from Reductions</i> | | <i>14.69</i> | <i>29.38</i> |

5. CONCLUSION

- 5.1 The Discretionary Fees and Charges be updated in accordance with the agreed policies.

6. IMPACT ON STRATEGIC THEMES

- 6.1 The Discretionary Fees and Charges are a vital element of the overall sources of funding to the Council to deliver its services and achieve its goals.
- 6.2 The fees and charges are linked to the to all three Strategic Themes – Place, Community and Prosperity.

7. IMPLICATIONS

- (i) **Impact on Customers** – This has been considered when setting fees and charges policy.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – The actual income generated from fees and charges is subject to fluctuation due to changes in demand. This risk is managed by factoring potential losses in the calculation of the minimum general fund balance used in the budget setting process.
- (iv) **Impact on resources (financial)** – Fees and charges are one of the three major sources of funding for the Council; the other two being Council Tax and retained Business Rates. The impact of the changes to fees and charges have been incorporated into the 2021 / 22 budget proposals.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – Sustainability has been considered, as far as possible when setting Fees and Charges policies.

Background Papers: 2021 / 22 Fees and Charges Policies Report to the Strategy and Resources Committee, 19 November 2020.

Enquiries to: Lance Porteous, Lead Finance Specialist (lance.porteous@maldon.gov.uk).

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APPENDIX A

| PLANNING & ENVIRONMENTAL SERVICES | Charge | VAT | 2021/22 | 2020/21 |
|---|-----------|-------------------|-----------|------------|
| | £ | £ | £ | £ |
| ENVIRONMENTAL HEALTH | | | | |
| ENVIRONMENTAL PROTECTION | | | | |
| Anti Social Behaviour Act 2003 | | | | |
| Fixed Penalty for Graffiti and Fly Posting S43 | 150.00 | - | 150.00 | 150.00 |
| Clean Neighbourhoods and Environment Act 2005 | | | | |
| Repairing vehicle on a road (<i>New Charge</i>) | 100.00 | - | 100.00 | - |
| Fixed Penalty for failure to nominate key holder (within an alarm notification area) or failure to notify local authority in writing of nominated key holders details | 80.00 | - | 80.00 | 80.00 |
| Fixed Penalty for offences under dog control orders S59(2) | 100.00 | - | 100.00 | 100.00 |
| Environmental Protection Act 1990 | | | | |
| Copy of contaminated land register entry per A4 sheet | 0.08 | 0.02 | 0.10 | 0.10 |
| Copy of the contaminated land strategy: bound paper copy | 44.00 | - | 44.00 | 44.00 |
| emailed copy | | Free | | - |
| Copy of radioactive substances notification per A4 sheet | 0.08 | 0.02 | 0.10 | 0.10 |
| Copy of radioactive substances register : bound paper copy | 44.00 | - | 44.00 | 44.00 |
| emailed copy | | Free | | - |
| per A4 sheet | 0.08 | 0.02 | 0.10 | 0.10 |
| Copy of other EPA statutory register entries (per A4 sheet) | 0.08 | 0.02 | 0.10 | 0.10 |
| downloaded from website | | Free | | - |
| Environmental searches / professional reports (per enquiry) | 97.50 | 19.50 | 117.00 | 116.00 |
| Charge for Housing Act Enforcement (per hour) | 54.00 | - | 54.00 | 53.00 |
| Licensing of houses in multiple occupation (New Licence): standard fee for 5 room house | 965.00 | - | 965.00 | 709.00 |
| charge per each additional room | 54.00 | - | 54.00 | 40.00 |
| Licensing of houses in multiple occupation (Renewal): standard fee for 5 room house | 665.00 | - | 665.00 | new charge |
| charge per each additional room | 54.00 | - | 54.00 | new charge |
| Request for housing inspection for immigration purposes | 189.00 | - | 189.00 | 171.00 |
| Fixed Penalty for Litter S88 (1) | 150.00 | - | 150.00 | 150.00 |
| Fixed Penalty for offences in relation to waste receptacles S47ZA(2) | 110.00 | - | 110.00 | 110.00 |
| Fixed Penalty for breach of street litter control notices and clearing notices S94A(2) | 115.00 | - | 115.00 | 115.00 |
| Fixed Penalty for unauthorised distribution of literature on designated land S3A para.7(2) | 84.00 | - | 84.00 | 84.00 |
| Failure to produce waste documentation (commercial) | 300.00 | - | 300.00 | |
| Failure to produce waste documentation (domestic) | 200.00 | - | 200.00 | |
| Noise Act 1996 | | | | |
| Fixed Penalty for noise from dwellings S8 | 100.00 | - | 100.00 | 105.00 |
| FOOD SAFETY, & HYGIENE | | | | |
| Export certificate: one off | 54.00 | - | 54.00 | 53.00 |
| Food Safety revisit | 175.00 | - | 175.00 | 169.00 |
| Replacement FHRS sticker | 10.00 | - | 10.00 | 8.00 |
| Sale of SFBB packs | 26.00 | - | 26.00 | 22.00 |
| Private Water Supplies | | | | |
| Risk assessment (per hour of officer time maximum £500) | 54.00 | - | 54.00 | 53.00 |
| Private water supply sampling | | Recovery of costs | | - |
| Skin Piercing Activities | | | | |
| Ear piercing, electrolysis, tattooing, acupuncture: per practitioner | 89.00 | - | 89.00 | 63.00 |
| per premises | 289.00 | - | 289.00 | 276.00 |
| GAMBLING ACT 2005 | | | | |
| Annual Fee | | | | |
| Adult Gaming Centre | 890.00 | - | 890.00 | 884.00 |
| Betting premises (other) | 534.00 | - | 534.00 | 530.00 |
| Betting Premises (track) | 890.00 | - | 890.00 | 884.00 |
| Bingo premises | 890.00 | - | 890.00 | 884.00 |
| Casino premises (converted) | 2,671.00 | - | 2,671.00 | 2,652.00 |
| Casino premises (large) | 8,902.00 | - | 8,902.00 | 8,840.00 |
| Casino premises (regional) | 13,353.00 | - | 13,353.00 | 13,260.00 |
| Casino premises (small) | 4,451.00 | - | 4,451.00 | 4,420.00 |
| Family entertainment centre | 671.00 | - | 671.00 | 666.00 |
| Application Fees for Premises and Application for Provisional Statements | | | | |

APPENDIX A

| PLANNING & ENVIRONMENTAL SERVICES | Charge | VAT | 2021/22 | 2020/21 |
|---|---------------|------------|-------------------|----------------|
| | £ | £ | £ | £ |
| Adult gaming centre | 1,780.00 | - | 1,780.00 | 1,768.00 |
| Betting premises (other) | 2,671.00 | - | 2,671.00 | 2,652.00 |
| Betting premises (track) | 2,225.00 | - | 2,225.00 | 2,210.00 |
| Bingo premises | 3,116.00 | - | 3,116.00 | 3,094.00 |
| Casino premises (large) | 8,902.00 | - | 8,902.00 | 8,840.00 |
| Casino premises (regional) | 13,353.00 | - | 13,353.00 | 13,260.00 |
| Casino premises (small) | 7,122.00 | - | 7,122.00 | 7,072.00 |
| Family entertainment centre | 1,780.00 | - | 1,780.00 | 1,768.00 |
| | | | | - |
| Application Fee for Premises with Provisional Statement | | | | - |
| Adult gaming centre | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Betting premises (other) | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Betting premises (track) | 850.00 | - | 850.00 | 844.00 |
| Bingo premises | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Casino premises (large) | 4,451.00 | - | 4,451.00 | 4,420.00 |
| Casino premises (regional) | 7,122.00 | - | 7,122.00 | 7,072.00 |
| Casino premises (small) | 2,671.00 | - | 2,671.00 | 2,652.00 |
| Family entertainment centre | 850.00 | - | 850.00 | 844.00 |
| | | | | - |
| Transfer / Reinstatement of Licence | | | | - |
| Adult gaming centre | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Betting premises (other) | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Betting premises (track) | 850.00 | - | 850.00 | 844.00 |
| Bingo premises | 1,068.00 | - | 1,068.00 | 1,061.00 |
| Casino premises (converted) | 1,202.00 | - | 1,202.00 | 1,194.00 |
| Casino premises (large) | 1,917.00 | - | 1,917.00 | 1,904.00 |
| Casino premises (regional) | 5,786.00 | - | 5,786.00 | 5,746.00 |
| Casino premises (small) | 1,602.00 | - | 1,602.00 | 1,591.00 |
| Family entertainment centre | 850.00 | - | 850.00 | 844.00 |
| | | | | - |
| Variation Fee | | | | - |
| Adult gaming centre | 890.00 | - | 890.00 | 884.00 |
| Betting premises (other) | 1,335.00 | - | 1,335.00 | 1,326.00 |
| Betting premises (track) | 1,117.00 | - | 1,117.00 | 1,109.00 |
| Bingo premises | 1,558.00 | - | 1,558.00 | 1,547.00 |
| Casino premises (converted) | 1,780.00 | - | 1,780.00 | 1,768.00 |
| Casino premises (large) | 6,676.00 | - | 6,676.00 | 6,630.00 |
| Casino premises (regional) | 6,676.00 | - | 6,676.00 | 6,630.00 |
| Casino premises (small) | 3,561.00 | - | 3,561.00 | 3,536.00 |
| Family entertainment centre | 890.00 | - | 890.00 | 884.00 |
| | | | | - |
| Other Gambling Act Licence Fees | | | | - |
| Change of circumstance | 43.00 | - | 43.00 | 43.00 |
| Copy of licence | 21.00 | - | 21.00 | 21.00 |
| | | | | - |
| LICENSING | | | | - |
| Animal Licensing | | | | - |
| Animal boarding establishments - new application | 439.00 | - | 439.00 | 276.00 |
| Animal boarding establishments - renewal | 290.00 | - | 290.00 | new charge |
| Animal home boarding - new application | 439.00 | - | 439.00 | 276.00 |
| Animal home boarding - renewal | 290.00 | - | 290.00 | new charge |
| Dangerous wild animal | 245.00 | - | 245.00 | 376.00 |
| Dog breeding establishments - new application | 474.00 | - | 474.00 | 276.00 |
| Dog breeding establishments - renewal | 290.00 | - | 290.00 | new charge |
| Pet shop - new application | 439.00 | - | 439.00 | 276.00 |
| Pet shop - renewal | 290.00 | - | 290.00 | new charge |
| Riding establishments - new application | 610.00 | - | 610.00 | 376.00 |
| Riding establishments - renewal | 436.00 | - | 436.00 | new charge |
| Zoo licence (individually determined fees) | | | | - |
| | | | Recovery of costs | - |
| Any costs incurred by the Council in licensing premises, e.g. Vet's fees, will be passed on to the licensee | | | | - |

APPENDIX A

| PLANNING & ENVIRONMENTAL SERVICES | Charge | VAT | 2021/22 | 2020/21 |
|--|--------------------------------------|-------|----------|----------|
| | £ | £ | £ | £ |
| | | | | - |
| Hackney Carriage Licences | | | | - |
| Driver licence (Hackney or Dual) - 3 yrs duration | 237.00 | - | 237.00 | 216.00 |
| Vehicle licence (excludes vehicles test) - 1 yr duration | 238.00 | - | 238.00 | 235.00 |
| Licence fee reduced for wheelchair accessible vehicles 25% | | | | - |
| | | | | - |
| Private Hire Licences | | | | - |
| Driver licence (PH or Dual) - 3 yrs duration | 237.00 | - | 237.00 | 216.00 |
| Private hire operators licence (1 car) - 5yrs duration | 229.00 | - | 229.00 | 216.00 |
| Vehicle licence (excludes vehicles test) - 1 yr duration * | 238.00 | - | 238.00 | 235.00 |
| * Licence fee reduced for wheelchair accessible vehicles 25% | | | | - |
| | | | | - |
| Town & Police Clauses Act 1847 | | | | - |
| Street closures admin charge | 73.33 | 14.67 | 88.00 | 86.00 |
| + Street closures press advert recovery of cost | Recovery of costs | | | - |
| | | | | - |
| Local Government Miscellaneous Provisions Act 1982 | | | | - |
| Sex establishment licence: application | 2,634.00 | - | 2,634.00 | 2,616.00 |
| renewal | 527.00 | - | 527.00 | 523.00 |
| variation | 210.00 | - | 210.00 | 209.00 |
| | | | | - |
| MOBILE HOMES ACT 2013 | | | | - |
| Application to transfer a site licence | 352.00 | - | 352.00 | 321.00 |
| Deposit of Site Rules | 65.00 | - | 65.00 | 59.00 |
| | | | | - |
| Annual Fee | | | | - |
| Band 1 (1-8 Pitches) | 0.00 | - | 0.00 | - |
| Band 2 (9-24 Pitches) | 298.00 | - | 298.00 | 272.00 |
| Band 3 (25-99 Pitches) | 503.00 | - | 503.00 | 460.00 |
| Band 4 (100-199 Pitches) | 790.00 | - | 790.00 | 722.00 |
| Band 5 (more than 200 Pitches) | 1,017.00 | - | 1,017.00 | 929.00 |
| | | | | - |
| New Site Licence Application and renewals | | | | - |
| Band 1 (1-8 Pitches) | 666.00 | - | 666.00 | 608.00 |
| Band 2 (9-24 Pitches) | 763.00 | - | 763.00 | 697.00 |
| Band 3 (25-99 Pitches) | 1,055.00 | - | 1,055.00 | 965.00 |
| Band 4 (100-199 Pitches) | 1,272.00 | - | 1,272.00 | 1,163.00 |
| Band 5 (more than 200 Pitches) | 1,537.00 | - | 1,537.00 | 1,405.00 |
| | | | | - |
| Application to amend a site Licence fee | | | | - |
| Band 1 (1-8 Pitches) | 390.00 | - | 390.00 | 356.00 |
| Band 2 (9-24 Pitches) | 400.00 | - | 400.00 | 366.00 |
| Band 3 (25-99 Pitches) | 417.00 | - | 417.00 | 380.00 |
| Band 4 (100-199 Pitches) | 422.00 | - | 422.00 | 387.00 |
| Band 5 (more than 200 Pitches) | 449.00 | - | 449.00 | 410.00 |
| | | | | - |
| SCRAP METAL DEALERS LICENCES | | | | - |
| Scrap metal dealers collectors licence (3yrs duration) | 204.00 | - | 204.00 | 194.00 |
| Scrap metal dealers collectors licence renewal (3yrs duration) | 158.00 | - | 158.00 | 146.00 |
| Scrap metal dealers site licence (3yrs duration) | 387.00 | - | 387.00 | 321.00 |
| Scrap metal dealers site licence renewal (3yrs duration) | 321.00 | - | 321.00 | 263.00 |
| Scrap metal dealers variation of a licence | 95.00 | - | 95.00 | 53.00 |
| Scrap metal dealers additional site | 74.00 | - | 74.00 | 73.00 |
| ENVIRONMENTAL WASTE | | | | - |
| | | | | - |
| DOMESTIC REFUSE | | | | - |
| Black sacks - per roll of 26 | 3.00 | 0.60 | 3.60 | 3.00 |
| | | | | - |
| PEST CONTROL - COMMERCIAL | | | | - |
| Insects and rodents per hour (excluding materials) | 102.50 | 20.50 | 123.00 | 123.00 |
| Rodent contract work | By negotiation - minimum charge £100 | | | - |
| Treatment for squirrels | 102.50 | 20.50 | 123.00 | 123.00 |
| Treatment for moles | 102.50 | 20.50 | 123.00 | 123.00 |
| | | | | - |

APPENDIX A

| PLANNING & ENVIRONMENTAL SERVICES | Charge | VAT | 2021/22 | 2020/21 |
|--|----------------------|-------|---------|---------|
| | £ | £ | £ | £ |
| PEST CONTROL - DOMESTIC | | | | - |
| Call out charge | 59.17 | 11.83 | 71.00 | 71.00 |
| Ants (each property) | 83.33 | 16.67 | 100.00 | 100.00 |
| Bedbug infestation: 1-3 bed property | 87.50 | 17.50 | 105.00 | 105.00 |
| 4-5 bed property | 92.50 | 18.50 | 111.00 | 111.00 |
| > 5 bed property | By negotiation | | | - |
| Second call out within 6 weeks of initial treatment at 50% charge | | | | - |
| Bees | 59.17 | 11.83 | 71.00 | 71.00 |
| Brown-tailed moth | Based on hourly rate | | | - |
| Fleas infestation: 1-3 bed property | 87.50 | 17.50 | 105.00 | 105.00 |
| 4-5 bed property | 92.50 | 18.50 | 111.00 | 111.00 |
| > 5 bed property | By negotiation | | | - |
| Second call out within 6 weeks of initial treatment at 50% charge | | | | - |
| Lice and cockroaches | 59.17 | 11.83 | 71.00 | 71.00 |
| Mice | 59.17 | 11.83 | 71.00 | 71.00 |
| Rats | 59.17 | 11.83 | 71.00 | 71.00 |
| Wasps nests | 59.17 | 11.83 | 71.00 | 71.00 |
| additional nest (treated at same time as first) | 28.33 | 5.67 | 34.00 | 34.00 |
| | | | | - |
| RECYCLING | | | | - |
| Green bins: standard annual fee | 48.00 | - | 48.00 | 46.00 |
| direct debit payers and internet payers annual fee | | - | Deleted | Deleted |
| (standard fee: half year pro rata for new customers) (New Charge) | 23.00 | - | 23.00 | 23.00 |
| Isolated properties annual fe (new charge) | 25.00 | - | 25.00 | 25.00 |
| Purchase of Green Bin including Delivery | 26.00 | - | 26.00 | 25.00 |
| Green waste sacks (per sack) | | - | Deleted | Deleted |
| delivery / postage charge per bag if required (2nd class) | | | Deleted | Deleted |
| | | | | - |
| REFUSE COLLECTION | | | | - |
| Household Bulky Waste - 1 to 3 items | 35.00 | - | 35.00 | 35.00 |
| Household Bulky Waste - 4 to 6 items | 70.00 | - | 70.00 | 70.00 |
| Household Bulky Waste - 7 to 9 items | 106.00 | - | 106.00 | 105.00 |
| Household Bulky Waste - 10 to 12 items (maximum) | 141.00 | - | 141.00 | 140.00 |
| | | | | - |
| Residential Homes Roadside Collection | | | | - |
| 1100ltr bin or equivalent - annual charge | | - | Deleted | Deleted |
| | | | | - |
| NEW PROPERTIES (6 or more properties) | | | | - |
| Cost per refuse / recycling container to developers including delivery | 60.00 | - | 60.00 | 60.00 |
| | | | | - |
| | | | | - |
| STRAY DOGS | | | | - |
| Stray dog destruction fee | Recovery of costs | | | - |
| | | | | - |
| Collection Fee (<i>New Charge</i>) | 50.00 | - | 50.00 | |
| Admin Fee (<i>New Charge</i>) | 25.00 | - | 25.00 | |
| Kenneling per night (<i>New Charge</i>) | 15.00 | - | 15.00 | |
| | | | | |
| With Tag or Chip | Deleted | | | |
| Administration fee | Deleted | | | 30.00 |
| Collection fee statutory | Deleted | | | 25.00 |
| Vets fees | Recovery of costs | | | - |
| | | | | - |
| Without Tag or Chip | Deleted | | | - |
| Administration fee | Deleted | | | 35.00 |
| Collection fee statutory | Deleted | | | 25.00 |
| Vets fees | Recovery of costs | | | - |
| | | | | - |
| STREET CLEANSING | | | | - |
| Return of abandoned trolleys | 50.00 | - | 50.00 | 50.00 |
| | | | | - |

APPENDIX A

| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|--|----------|---------|----------|----------|
| | £ | £ | £ | £ |
| CEMETERIES | | | | |
| Search in burial register | 25.83 | 5.17 | 31.00 | 31.00 |
| Use of chapel | 217.00 | - | 217.00 | 135.00 |
| Plot choosing: non-resident | | Deleted | | 108.00 |
| resident | | Deleted | | 54.00 |
| Plot choosing: burial ex woodland non-resident (<i>New Charge</i>) | 485.83 | 97.17 | 583.00 | |
| burial ex woodland resident (<i>New Charge</i>) | 243.33 | 48.67 | 292.00 | |
| Plot choosing: cremated remains non-resident (<i>New Charge</i>) | 135.83 | 27.17 | 163.00 | |
| Plot choosing: cremated remains resident (<i>New Charge</i>) | 68.33 | 13.67 | 82.00 | |
| Collection of ashes | | Deleted | | 43.00 |
| | | | | - |
| Bronze Memorial Plaques | | | | |
| Bench plaque: 8" x 2.5" | | Deleted | | 178.00 |
| Plaque on plinth: 6" x 4" | 345.00 | 69.00 | 414.00 | 414.00 |
| 6" x 4" | 153.00 | - | 153.00 | 153.00 |
| 7" x 5" | 172.00 | - | 172.00 | 172.00 |
| | | | | - |
| Charges for Right to Place Monument | | | | |
| Under 16 years | | Deleted | | - |
| Under 18 years (<i>New Charge</i>) | | Free | | |
| Additional inscription | 83.00 | - | 83.00 | 83.00 |
| Full kerb set | 223.00 | - | 223.00 | 223.00 |
| Full kerb set & headstone up to 1m | 326.00 | - | 326.00 | 326.00 |
| Headstone up to 1m | 142.00 | - | 142.00 | 142.00 |
| Other memorials (<i>cremated remains memorials</i>) | 110.00 | - | 110.00 | 110.00 |
| | | | | - |
| Exclusive Right of Burial - Non Resident | | | | |
| All ages: 5 years | | Deleted | | 245.00 |
| 10 years | | Deleted | | 433.00 |
| 10 Year (top up for existing Exclusive right of burial only) (<i>New Charge</i>) | 350.00 | 70.00 | 420.00 | |
| 10 Year (top up for existing Exclusive right of burial only child) (<i>New Charge</i>) | 183.33 | 36.67 | 220.00 | |
| 15 years | | Deleted | | 607.00 |
| 30 years | | Deleted | | 1,099.00 |
| 50 years next in line burial child (<i>New Charge</i>) | 375.00 | 75.00 | 450.00 | |
| 50 years next in line burial adult (<i>New Charge</i>) | 916.67 | 183.33 | 1,100.00 | |
| Ashes: 30 years | | Deleted | | 362.00 |
| 99 years | | Deleted | | 559.00 |
| 50 years next in line cremated remains child (<i>New Charge</i>) | 216.67 | 43.33 | 260.00 | |
| 50 years next in line cremated remains adult (<i>New Charge</i>) | 433.33 | 86.67 | 520.00 | |
| 99 years next in line cremated remains child (<i>New Charge</i>) | 375.00 | 75.00 | 450.00 | |
| 99 years next in line cremated remains adult (<i>New Charge</i>) | 750.00 | 150.00 | 900.00 | |
| Ashes - woodland glades: 30 years | | Deleted | | 399.00 |
| 99 years | | Deleted | | 663.00 |
| Traditional: 99 years | | Deleted | | 1,691.00 |
| 99 years next in line burial adult (<i>New Charge</i>) | 1,416.67 | 283.33 | 1,700.00 | |
| 99 years next in line burial child (<i>New Charge</i>) | 708.33 | 141.67 | 850.00 | |
| Transfer of exclusive rights of burial | 68.00 | - | 68.00 | 36.00 |
| Woodland glades (<i>inc memorial tree</i>): 30 years | | Deleted | | 1,326.00 |
| 99 years | | Deleted | | 1,969.00 |
| Exclusive Right of Burial - Resident | | | | |
| All ages: 5 years | | Deleted | | 122.00 |
| 10 years | | Deleted | | 215.00 |
| 10 years top up for existing ERBs only adult (<i>New Charge</i>) | 175.00 | 35.00 | 210.00 | |
| 10 years top up for existing ERBs only child (<i>New Charge</i>) | 87.50 | 17.50 | 105.00 | |
| 15 years | | Deleted | | 302.00 |
| 30 years | | Deleted | | 550.00 |
| 50 years next in line burial adult (<i>New Charge</i>) | 458.33 | 91.67 | 550.00 | |
| 50 years next in line burial child (<i>New Charge</i>) | 187.50 | 37.50 | 225.00 | |
| Ashes: 30 years | | Deleted | | 181.00 |
| 99 years | | Deleted | | 280.00 |
| 50 years next in line cremated remains child (<i>New Charge</i>) | 108.33 | 21.67 | 130.00 | |
| 50 years next in line cremated remains adult (<i>New Charge</i>) | 216.67 | 43.33 | 260.00 | |

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SERVICE DELIVERY

| | Charge | VAT | 2021/22 | 2020/21 |
|--|------------------|---------|----------|----------|
| | £ | £ | £ | £ |
| 99 years next in line cremated remains child (<i>New Charge</i>) | 187.50 | 37.50 | 225.00 | |
| 99 years next in line cremated remains adult (<i>New Charge</i>) | 375.00 | 75.00 | 450.00 | |
| Ashes - woodland glades: 30 years | | Deleted | | 199.00 |
| 99 years | | Deleted | | 331.00 |
| 99 years next in line burial adult (<i>New Charge</i>) | 708.33 | 141.67 | 850.00 | |
| 99 years next in line burial child (<i>New Charge</i>) | 354.17 | 70.83 | 425.00 | |
| Traditional: 99 years | 0.00 | Deleted | | 846.00 |
| Transfer of exclusive rights of burial | 68.00 | - | 68.00 | 36.00 |
| Woodland glades (<i>inc memorial tree</i>): 30 years | | Deleted | | 662.00 |
| 99 years | | Deleted | | 1,617.00 |
| | | | | - |
| Grave Digging | | | | - |
| Under 16 years | | Deleted | | - |
| 16 years and over - single depth | | Deleted | | 487.00 |
| 16 years and over - single depth Saturday | | Deleted | | 553.00 |
| 16 years and over - double depth | | Deleted | | 519.00 |
| 16 years and over - double depth Saturday | | Deleted | | 584.00 |
| Ashes - single depth | | Deleted | | 95.00 |
| Ashes - single depth Saturday | | Deleted | | 101.00 |
| Ashes - double depth | | Deleted | | 101.00 |
| Ashes - double depth Saturday | | Deleted | | 106.00 |
| | | | | - |
| Interment - Non Resident | | | | - |
| Under 16 years | | Deleted | | - |
| 16 years and over | | Deleted | | 1,027.00 |
| Under 18 years | | Free | | |
| 18 years and over burial (<i>New Charge</i>) | 1,666.67 | 333.33 | 2,000.00 | |
| 18 years and over cremated remains (<i>New Charge</i>) | 416.67 | 83.33 | 500.00 | |
| Ashes | | Deleted | | 314.00 |
| Ashes - woodland glades | | Deleted | | 383.00 |
| Burial plot adjacent to path or end of row | | Deleted | | 467.00 |
| Scattering of ashes: under 16 years | | Deleted | | - |
| 16 years and over | | Deleted | | 162.00 |
| Scattering of ashes: under 18 years (<i>New Charge</i>) | | Free | | |
| 18 years and over (<i>New Charge</i>) | 141.67 | 28.33 | 170.00 | |
| Saturday 10.00 - noon only | | Deleted | | 621.00 |
| | | | | - |
| Interment - Resident | | | | - |
| Under 16 years | | Deleted | | - |
| 16 years and over | | Deleted | | 514.00 |
| Under 18 years | | Free | | |
| 18 years and over burial (<i>New Charge</i>) | 833.33 | 166.67 | 1,000.00 | |
| 18 years and over cremated remains (<i>New Charge</i>) | 187.50 | 37.50 | 225.00 | |
| Ashes | | Deleted | | 158.00 |
| Ashes - woodland glades | | Deleted | | 193.00 |
| Scattering of ashes: under 16 years | | Deleted | | - |
| 16 years and over | | Deleted | | 83.00 |
| Scattering of ashes: under 18 years (<i>New Charge</i>) | | Free | 0.00 | |
| 18 years and over (<i>New Charge</i>) | 70.83 | 14.17 | 85.00 | |
| scattering at sea all ages (<i>New Charge</i>) | 375.00 | 75.00 | 450.00 | |
| Disinterment of cremated remains (<i>New Charge</i>) | 291.67 | 58.33 | 350.00 | |
| Exhumation of coffin | Price on request | | | |
| Burial plot adjacent to path or end of row | | Deleted | | 233.00 |
| Saturday 10.00 - noon only | | Deleted | | 310.00 |
| | | | | - |
| Memorialisation Scheme | | | | - |
| Memorial climber / shrub | | Deleted | | - |
| Memorial garden seat: Traditional | | Deleted | | 1,200.00 |
| Rustic | | Deleted | | 950.00 |
| Memorial tree including planting | 210.00 | - | 210.00 | 204.00 |
| | | | | |
| Neat and Tidy Scheme | | | | |
| Ashes (bed): 1 year | 83.33 | 16.67 | 100.00 | 191.00 |
| 5 years | 333.33 | 66.67 | 400.00 | 909.00 |
| 10 years | | Deleted | | 1,722.00 |
| Lawn (headstone bed): 1 year | 125.00 | 25.00 | 150.00 | 221.00 |

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| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|---|---------------|-----------------|----------------|----------------|
| | £ | £ | £ | £ |
| 5 years | 500.00 | 100.00 | 600.00 | 1,042.00 |
| 10 years | | Deleted | | 1,974.00 |
| Lawn (full burial): 1 year | 166.67 | 33.33 | 200.00 | 250.00 |
| 5 years | 666.67 | 133.33 | 800.00 | 1,183.00 |
| 10 years | | Deleted | | 2,243.00 |
| PARKS TEAM | | | | |
| Parks Ground Maintenance Contracts - Charges based on enquiry | | | | - |
| | | | | - |
| OFF STREET PARKING | | | | - |
| Vehicles that display up to date disabled persons badge | | Free | | - |
| | | | | - |
| OFF STREET PARKING | | | | - |
| | | | | - |
| Maldon District Council offices: | | | | - |
| Weekdays 8am - 5pm (max stay 2 hrs) | | | | - |
| Up to 1 hr | 0.92 | 0.18 | 1.10 | 1.10 |
| Up to 2hrs | 1.17 | 0.23 | 1.40 | 1.40 |
| Weekends | | | | - |
| Pay & display: Saturday (8am to 5pm) up to 1 hour | 0.92 | 0.18 | 1.10 | 1.10 |
| Saturday (8am to 5pm) 1 to 2 hours | 1.17 | 0.23 | 1.40 | 1.40 |
| Saturday (8am to 5pm) 2 to 3 hours | 1.67 | 0.33 | 2.00 | 2.00 |
| Saturday (8am to 5pm) 3 to 4 hours | 2.17 | 0.43 | 2.60 | 2.60 |
| Saturday (8am to 5pm) over 4 hours | 3.67 | 0.73 | 4.40 | 4.40 |
| Saturday Evening 5pm to 10pm | 1.25 | 0.25 | 1.50 | 1.50 |
| Sunday All Day | 1.25 | 0.25 | 1.50 | 1.50 |
| | | | | - |
| Butt Lane (Monday to Saturday - 8am to 5pm) | | | | - |
| Pay & display: up to 1 hour | 0.92 | 0.18 | 1.10 | 1.10 |
| 1 to 2 hours | 1.17 | 0.23 | 1.40 | 1.40 |
| 2 to 3 hours | 1.67 | 0.33 | 2.00 | 2.00 |
| 3 to 4 hours | 2.17 | 0.43 | 2.60 | 2.60 |
| over 4 hours | 3.67 | 0.73 | 4.40 | 4.40 |
| Weekday & Saturday Evening (5pm to 10pm) | 1.25 | 0.25 | 1.50 | 1.50 |
| Sunday All Day | 1.25 | 0.25 | 1.50 | 1.50 |
| | | | | - |
| Season ticket: annual | 531.67 | 106.33 | 638.00 | 638.00 |
| 6 months | 265.83 | 53.17 | 319.00 | 319.00 |
| monthly | 47.50 | 9.50 | 57.00 | 57.00 |
| Bulk purchases (Monday - Saturday): minimum 10 tickets | | Discount of 5% | | - |
| minimum 15 tickets | | Discount of 10% | | - |
| minimum 20 tickets | | Discount of 15% | | - |
| | | | | - |
| Friary Fields (Monday to Saturday - 8am to 5pm) | | | | - |
| Pay & display: up to 3 hours | 1.67 | 0.33 | 2.00 | 2.00 |
| 3 to 4 hours | 2.17 | 0.43 | 2.60 | 2.60 |
| over 4 hours | 3.67 | 0.73 | 4.40 | 4.40 |
| Weekday & Saturday Evening (5pm to 10pm) | 1.25 | 0.25 | 1.50 | 1.50 |
| Sunday All Day | 1.25 | 0.25 | 1.50 | 1.50 |
| | | | | - |
| Season ticket: annual | 531.67 | 106.33 | 638.00 | 638.00 |
| 6 months | 265.83 | 53.17 | 319.00 | 319.00 |
| monthly | 47.50 | 9.50 | 57.00 | 57.00 |
| Bulk purchases (Monday - Saturday): minimum 10 tickets | | Discount of 5% | | - |
| minimum 15 tickets | | Discount of 10% | | - |
| minimum 20 tickets | | Discount of 15% | | - |
| Public sector partners (Monday - Friday) | | Discount of 50% | | - |
| | | | | - |
| High St. East (Monday to Saturday - 8am to 5pm) | | | | - |
| Pay & display: up to 1 hour | 0.92 | 0.18 | 1.10 | 1.10 |
| 1 to 2 hours | 1.17 | 0.23 | 1.40 | 1.40 |
| 2 to 3 hours | 1.67 | 0.33 | 2.00 | 2.00 |
| 3 to 4 hours | 2.17 | 0.43 | 2.60 | 2.60 |
| over 4 hours | 3.67 | 0.73 | 4.40 | 4.40 |
| Weekday & Saturday Evening (5pm to 10pm) | 1.25 | 0.25 | 1.50 | 1.50 |
| Sunday All Day | 1.25 | 0.25 | 1.50 | 1.50 |

APPENDIX A

| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|--|-----------------|--------|---------|---------|
| | £ | £ | £ | £ |
| | | | | - |
| Season ticket: annual | 531.67 | 106.33 | 638.00 | 638.00 |
| 6 months | 265.83 | 53.17 | 319.00 | 319.00 |
| monthly | 47.50 | 9.50 | 57.00 | 57.00 |
| Bulk purchases (Monday - Saturday): minimum 10 tickets | Discount of 5% | | | - |
| minimum 15 tickets | | | | - |
| minimum 20 tickets | | | | - |
| Public sector partners (Monday - Friday) | Discount of 50% | | | - |
| | | | | - |
| Hythe Quay | | | | - |
| Season ticket: annual | 96.67 | 19.33 | 116.00 | 116.00 |
| | | | | - |
| Maldon Promenade (Monday to Sunday - 8am to 8pm) | | | | - |
| Car: up to 1 hour | 1.00 | 0.20 | 1.20 | 1.20 |
| 1 to 2 hours | 2.00 | 0.40 | 2.40 | 2.40 |
| 2 to 4 hours | 5.00 | 1.00 | 6.00 | 6.00 |
| all day | 6.42 | 1.28 | 7.70 | 7.70 |
| Coach: up to 2 hours | 6.08 | 1.22 | 7.30 | 7.30 |
| over 2 hours | 11.08 | 2.22 | 13.30 | 13.30 |
| Coach park - coach / bus season tickets | 183.33 | 36.67 | 220.00 | 220.00 |
| Non residents season ticket | 146.67 | 29.33 | 176.00 | 176.00 |
| Residents season ticket | 110.00 | 22.00 | 132.00 | 132.00 |
| | | | | - |
| Market Site | | | | - |
| Season ticket: annual | 586.67 | 117.33 | 704.00 | 704.00 |
| 6 months | 293.33 | 58.67 | 352.00 | 352.00 |
| monthly | 52.50 | 10.50 | 63.00 | 63.00 |
| | | | | - |
| Silver Street | | | | - |
| Season ticket: annual | 531.67 | 106.33 | 638.00 | 638.00 |
| 6 months | 265.83 | 53.17 | 319.00 | 319.00 |
| monthly | Pro rata charge | | | - |
| Bulk purchases (Monday - Saturday): minimum 10 tickets | | | | - |
| minimum 15 tickets | | | | - |
| minimum 20 tickets | Discount of 15% | | | - |
| White Horse Lane (Monday to Saturday - 8am to 5pm) | | | | - |
| Pay & display: up to 1 hour | 0.92 | 0.18 | 1.10 | 1.10 |
| 1 to 2 hours | 1.17 | 0.23 | 1.40 | 1.40 |
| 2 to 3 hours | 1.67 | 0.33 | 2.00 | 2.00 |
| 3 to 4 hours | 3.08 | 0.62 | 3.70 | 3.70 |
| over 4 hours | 7.33 | 1.47 | 8.80 | 8.80 |
| Weekday & Saturday Evening (5pm to 10pm) | 1.25 | 0.25 | 1.50 | 1.50 |
| | | | | - |
| White Horse Lane | | | | - |
| Maldon Schools permit | 183.33 | 36.67 | 220.00 | 220.00 |
| | | | | - |
| Town Centre Car Parks | | | | - |
| Residents season ticket (Monday 5pm-10pm All Day Sunday) | 65.83 | 13.17 | 79.00 | 79.00 |
| | | | | - |
| Events Car Parking - day ticket | | | | - |
| Charge to be set by MDC prior to event | | | | - |
| | | | | - |
| | | | | - |
| Electricity Supply (Riverside & Promenade Park) | | | | - |
| Charge per day | 46.67 | 9.33 | 56.00 | 56.00 |
| Deposit | 49.00 | - | 49.00 | 49.00 |
| | | | | - |
| Water Supply (Riverside & Promenade Park) | | | | - |
| Stand Pipe Installation (<i>New Charge</i>) | 65.00 | - | 65.00 | 65.00 |
| Charge per day | 25.83 | 5.17 | 31.00 | 31.00 |
| Deposit | 56.00 | - | 56.00 | 56.00 |
| | | | | - |
| | | | | - |
| Beach Hut Hire - Promenade Park | | | | - |
| Daily Charge | | | | - |
| High-Season (April - September) | 37.50 | 7.50 | 45.00 | 45.00 |

APPENDIX A

| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|---|----------|----------------------|----------|----------------|
| | £ | £ | £ | £ |
| Low-Season (October - March) | 26.67 | 5.33 | 32.00 | 32.00 |
| <i>A minimum charge of £10 (Inc. VAT) will apply for part days and later bookings</i> | | | | - |
| | | | | - |
| Beach Hut Packages | | | | - |
| Gold Package - (<i>Peak season beach hut hire, 2 all day splash park wristbands and all day car parking</i>) | | Deleted | | - |
| Silver Package - (<i>Mid season beach hut hire, 2 all day splash park wristbands and all day car parking</i>) | | Deleted | | - |
| | | | | - |
| FUNFAIRS AND CIRCUSES - Minimum of: | | | | - |
| Damage deposit | 500.00 | - | 500.00 | 500.00 |
| Poster removal deposit (<i>New Charge</i>) | 500.00 | - | 500.00 | 500.00 |
| | | | | - |
| Circus at Promenade Park | | | | - |
| Daily ground rate (whilst circus is in operation) | 158.00 | - | 158.00 | 155.00 |
| Daily ground rate (whilst circus is not in operation) | 82.00 | - | 82.00 | 80.00 |
| | | | | - |
| Circus at Riverside Park | | | | - |
| Daily ground rate (whilst circus is in operation) | 138.00 | - | 138.00 | 135.00 |
| Daily ground rate (whilst circus is not in operation) | 71.00 | - | 71.00 | 70.00 |
| | | | | - |
| Funfair at Riverside Park | | | | - |
| Daily ground rate (whilst fair is in operation) | 373.00 | - | 373.00 | 370.00 |
| Daily ground rate (whilst fair is not in operation) | 186.00 | - | 186.00 | 185.00 |
| | | | | - |
| Travelling Funfair at Promenade Park | | | | - |
| Daily ground rate (whilst fair is in operation) | 488.00 | - | 488.00 | 485.00 |
| Daily ground rate (whilst fair is not in operation) | 196.00 | - | 196.00 | 195.00 |
| | | | | - |
| PARKS AND OPEN SPACES | | | | - |
| Memorial Benches | | | | - |
| Rustic bench | 1,233.00 | - | 1,233.00 | 1,224.00 |
| Cast iron bench | 1,253.00 | - | 1,253.00 | 1,244.00 |
| | | | | - |
| Advertising and Sponsorship | | | | - |
| Events Banners per week (main gate entrances on railings x2 + free electronic advert) | 29.17 | 5.83 | 35.00 | 35.00 |
| Events Banners per week (<i>community / charity</i>) | 16.67 | 3.33 | 20.00 | 20.00 |
| Electronic Advert (<i>per day minimum 1 week</i>) | | Deleted | | - |
| Internal park adverts TBA (<i>per week</i>) | 16.67 | 3.33 | 20.00 | 20.00 |
| Vehicle advertising TBA (<i>per day</i>) | 109.17 | 21.83 | 131.00 | 130.00 |
| Sponsorship | | By negotiation | | - |
| | | | | - |
| Event Land Hire Charge - Council Park or Open Space (<i>New Charges - per day</i>) | | | | - |
| Event licence / Permit fee (minimum fee payable on acceptance of event) | 25.00 | 5.00 | 30.00 | 30.00 |
| Charity - Small event (1-1,000 attendees) | 25.00 | 5.00 | 30.00 | 30.00 |
| Charity - Medium event (1,001- 2,500 attendees) | 46.67 | 9.33 | 56.00 | 56.00 |
| Charity - Large event (2,501 + attendees) | 90.83 | 18.17 | 109.00 | 108.00 |
| Community - Small event (1-1,000 attendees) | 54.17 | 10.83 | 65.00 | 65.00 |
| Community - Medium event (1,001- 2,500 attendees) | 100.83 | 20.17 | 121.00 | 120.00 |
| Community - Large event (2,501 + attendees) | | Price on application | | on application |
| Commercial - Small event (1-1,000 attendees) | 268.33 | 53.67 | 322.00 | 320.00 |
| Commercial - Medium event (1,001- 2,500 attendees) | 503.33 | 100.67 | 604.00 | 600.00 |
| Commercial - Large event (2,501 + attendees) | | Price on application | | on application |
| | | | | - |
| Prom Park hire for Concessions | | Price on application | | on application |
| | | | | - |
| | | | | - |
| Other Council owned Land Hire for Concessions - (price is per operator, per day, per concession) | | | | - |
| Peak Time (<i>School Holidays/Bank Holidays/ Event Days</i>) | | | | - |
| Daily charge | 55.00 | - | 55.00 | 54.00 |
| Medium (Team of 2 - 5 Operators) <i>price per operator</i> | | | Deleted | Deleted |
| Large (Team of 5+ Operators) <i>price per operator</i> | | | Deleted | Deleted |
| Charitable Concession | | Deleted | | - |
| Off Peak Time | | | | - |
| Daily charge | 37.00 | - | 37.00 | 37.00 |
| Medium (Team of 2 - 5 Operators) <i>price per operator</i> | | | Deleted | Deleted |
| Large (Team of 5+ Operators) <i>price per operator</i> | | | Deleted | Deleted |
| Charitable Concession | | Deleted | | - |

APPENDIX A

| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|---|--------|---------------------------|---------------|---------|
| | £ | £ | £ | £ |
| Pop Up Trading | | | | - |
| Peak Time (<i>School Holidays/Bank Holidays/ Event Days</i>) | | | | - |
| Market Stall (Frame with Canopy) | 56.00 | - | 56.00 | 55.00 |
| Wheelie Cart | 50.00 | - | 50.00 | 49.00 |
| Wheelie Cart including Fridge | 55.00 | - | 55.00 | 54.00 |
| Electricity | 10.83 | 2.17 | 13.00 | 13.00 |
| Off Peak Time | | - | | - |
| Market Stall (Frame with Canopy) | 45.00 | - | 45.00 | 44.00 |
| Wheelie Cart | 40.00 | - | 40.00 | 39.00 |
| Wheelie Cart including Fridge | 45.00 | - | 45.00 | 44.00 |
| Electricity | 10.83 | 2.17 | 13.00 | 13.00 |
| | | | | - |
| ROUNABOUT SPONSORSHIP | | | | - |
| 1 Year agreement - Maldon Town site | | Price on application | n application | |
| 1 Year agreement - Other district site | | Price on application | n application | |
| 3 Year agreement - Maldon Town site | | Price on application | n application | |
| 3 Year agreement - Other district site | | Price on application | n application | |
| Landscaping scheme (minimum 5 years) | | Price on application | n application | |
| | | | | - |
| 1 Year Boundary sign Agreement | | Price on application | n application | |
| | | | | - |
| PARKS AND SPORTS PITCHES | | | | - |
| Cricket (per game) | | | | - |
| Adult | 71.67 | 14.33 | 86.00 | 85.00 |
| Junior | 41.67 | 8.33 | 50.00 | 50.00 |
| Sports pitch use - parking season ticket (per club) | 104.17 | 20.83 | 125.00 | 124.00 |
| | | | | - |
| Football (per game) | | | | - |
| Adult | 44.17 | 8.83 | 53.00 | 53.00 |
| Junior | 33.33 | 6.67 | 40.00 | 40.00 |
| Changing rooms (only) | 11.67 | 2.33 | 14.00 | 14.00 |
| Sports pitch use - parking season ticket (per team) | 104.17 | 20.83 | 125.00 | 124.00 |
| Sports club training / structured activities | 9.17 | 1.83 | 11.00 | 11.00 |
| | | | | - |
| Mini Soccer | | | | - |
| Juniors | 26.67 | 5.33 | 32.00 | 32.00 |
| | | | | - |
| Netball (per court, per hour) | | | | - |
| Adult | 10.00 | 2.00 | 12.00 | 12.00 |
| Junior | 7.50 | 1.50 | 9.00 | 9.00 |
| | | | | - |
| Tennis (per court, per hour) | | | | - |
| Adult | 7.50 | 1.50 | 9.00 | 9.00 |
| Junior | 5.83 | 1.17 | 7.00 | 7.00 |
| Member of Maldon Tennis Club | | Deleted | | - |
| | | | | - |
| Organised Bootcamps / Personal Training in Council-owned Parks | | | | - |
| Hourly | 10.00 | 2.00 | 12.00 | 12.00 |
| Monthly Charge - 5 hours per week | | Deleted | | - |
| Monthly Charge - 10 hours per week | | Deleted | | - |
| 3 Month Licence (2 hours per week) | 75.83 | 15.17 | 91.00 | 90.00 |
| 6 Month Licence (up to 3 hours per week) | 134.17 | 26.83 | 161.00 | 160.00 |
| 12 Month Licence (up to 5 hours per week) | 235.00 | 47.00 | 282.00 | 280.00 |
| | | | | - |
| RIVERS | | | | - |
| Moorings | | | | - |
| Annual charge: up to 7.99 metres | 125.00 | 25.00 | 150.00 | 143.00 |
| 8 to 9.99 metres | 204.17 | 40.83 | 245.00 | 235.00 |
| 10 to 14.99 metres | 283.33 | 56.67 | 340.00 | 326.00 |
| 15 metres and above | 375.00 | 75.00 | 450.00 | 418.00 |
| Mooring registration fee | 112.50 | 22.50 | 135.00 | 128.00 |
| Transfer of mooring | | 50% of annual mooring fee | | - |
| | | | | - |
| Residential Mooring Charges | | | | - |
| up to 9.99 metres (<i>per month</i>) | 166.67 | 33.33 | 200.00 | 125.00 |
| 10 to 14.99 metres (<i>per month</i>) | 333.33 | 66.67 | 400.00 | 250.00 |

APPENDIX A

| SERVICE DELIVERY | Charge | VAT | 2021/22 | 2020/21 |
|--|---------------|------------|----------------|----------------|
| | £ | £ | £ | £ |
| 15 metres and above (<i>per month</i>) | 500.00 | 100.00 | 600.00 | 500.00 |
| | | | | - |
| Wharfage - Hythe Quay Maldon and Burnham Pontoon | | | | - |
| Daily fees: vessels and multihulls | 17.50 | 3.50 | 21.00 | 21.00 |
| Annual fees: Available to Fully Rigged Thames Sailing barges operators only | 3,575.00 | 715.00 | 4,290.00 | 4,290.00 |
| (annual fee can be paid quarterly with no penalty) | 893.75 | 178.75 | 1,072.50 | 1,072.50 |
| Monthly fees: Available to Fully Rigged Thames Sailing barges operators only | 328.00 | 65.60 | 393.60 | 393.60 |
| Weekly Fee: as per daily rate multiplied by 7, no rate change. | 122.50 | 24.50 | 147.00 | 147.00 |
| 240/32 Amp Supply - Daily Charge (Maldon) | 4.17 | 0.83 | 5.00 | 4.00 |
| Static Events on vessels using the Hythe Quay / Burnham (Daily charge) | 116.67 | 23.33 | 140.00 | 122.00 |
| Exclusive use of visitor pontoons Maldon / Burnham (Daily charge) | 116.67 | 23.33 | 140.00 | 122.00 |
| Visitor Pontoon - Weekly Winter charge Oct - April (Maldon) | 58.33 | 11.67 | 70.00 | 51.00 |
| | | | | - |
| Commercial team | | | | |
| Box Office services - commission rate to be set at 10% unless agreed by MDC | | | | |
| Commercial Services Marketing - Price on enquiry | | | | |
| | | | | - |
| SPLASH PARK | | | | - |
| Private bookings (per hour) | 183.33 | 36.67 | 220.00 | 220.00 |
| Private bookings (per half hour) | 112.50 | 22.50 | 135.00 | 135.00 |
| Changing rooms hire | 11.67 | 2.33 | 14.00 | 14.00 |
| Single use ticket (per 20 mins) | 2.29 | 0.46 | 2.75 | 2.75 |
| Towels | 5.00 | 1.00 | 6.00 | 6.00 |
| T-Shirts | Deleted | | | - |
| Swim Nappies | 1.50 | - | 1.50 | 1.50 |
| Bottled Water | 0.67 | 0.13 | 0.80 | 0.80 |
| Gold Splash park all day wrist band ticket (off peak April - June & September) | 11.25 | 2.25 | 13.50 | 13.50 |
| Gold Splash park all day wrist band ticket (peak season July & August) (<i>New Charge</i>) | 12.08 | 2.42 | 14.50 | 14.50 |

APPENDIX A

| | Charge | VAT | 2021/22 | 2020/21 |
|--|--|--------|---------|---------|
| | £ | £ | £ | £ |
| PLANNING SERVICES | | | | |
| | | | | |
| BUILDING CONTROL | | | | |
| New dwellings | See attached - table A See attached - table B See attached - table C | | 13.00 | - |
| Work to a single dwelling | | | | |
| All other non-domestic work | | | | |
| Copy document (completion certificate) | | | | |
| | | | | |
| DEVELOPMENT CONTROL | | | | |
| Designs and Patents Act 1989 | | | | |
| Plan copies - per sheet: A4 | 0.08 | 0.02 | 0.10 | 0.10 |
| A3 | 0.17 | 0.03 | 0.20 | 0.20 |
| A2 | 0.83 | 0.17 | 1.00 | 0.80 |
| die line | 1.67 | 0.33 | 2.00 | 2.00 |
| | | | | |
| Ordnance Survey Maps | | | | |
| Handling fee | 1.67 | 0.33 | 2.00 | 2.00 |
| Site plans (max 6 copies) - per extract | 30.83 | 6.17 | 37.00 | 37.00 |
| | | | | |
| Other Development Control | | | | |
| High Hedge Complaints | 510.00 | 102.00 | 612.00 | 612.00 |
| | | | | |
| Street Naming and Numbering | | | | |
| Adding / removing a name | 47.10 | - | 47.10 | 0.00 |
| Renaming / renumbering a property | 47.10 | - | 47.10 | 41.00 |
| Naming / numbering 1-5 properties (per property) inc flats* | 70.00 | - | 70.00 | 41.00 |
| Naming / numbering 6-25 properties (per property) inc flats* | 31.00 | - | 31.00 | 31.00 |
| Naming / numbering 26-75 properties (per property) inc flats* | 26.00 | - | 26.00 | 26.00 |
| Naming / numbering 76+ properties (per property) inc flats* | 20.00 | - | 20.00 | 20.00 |
| Naming a street (per street)** | 102.00 | - | 102.00 | 102.00 |
| Change to development after notification | 51.00 | - | 51.00 | 51.00 |
| Street renaming at residents request | 153.00 | - | 153.00 | 153.00 |
| Written confirmation of postal address details | 0.00 | - | 0.00 | 0.00 |
| | | | | |
| * numbers include dwellings within developments with new streets | | | | |
| ** number of new street names only | | | | |
| | | | | |
| LAND CHARGES | | | | |
| <i>Premises exempt as per legislation: church halls, village halls & non-commercial venues</i> | | | | |
| | | | | |
| CON29 (part 1): standard fee | 125.83 | 25.17 | 151.00 | 148.00 |
| additional fee for non-residential searches | 23.33 | 4.67 | 28.00 | 27.00 |
| LLC1 | 23.00 | - | 23.00 | 22.00 |
| additional fee for non-residential searches | 34.17 | 6.83 | 41.00 | 40.00 |
| | | | | |
| CON29O (part 2) enquiry - per question: Q4-5 only (if purchased with full search) | 15.83 | 3.17 | 19.00 | 18.00 |
| Q6-21 | 15.83 | 3.17 | 19.00 | 18.00 |
| Q22 only | 23.33 | 4.67 | 28.00 | 27.00 |
| | | | | |
| Additional enquiry | 33.33 | 6.67 | 40.00 | 39.00 |
| Additional parcel of land LLC1 | 5.00 | - | 5.00 | 5.00 |
| Additional parcel of land CON29 | 15.83 | 3.17 | 19.00 | 18.00 |
| Copy of duplicate search | 10.00 | 2.00 | 12.00 | 12.00 |
| Search confirmation (up to 3mths old) | 10.00 | 2.00 | 12.00 | 12.00 |
| | | | | |
| Personal Searches | | | | |
| CON29R standard enquiry (when viewed in person) | Free | | 23.00 | Free |
| Local land charges register (in person): print out | | | | Free |
| view | | | | Free |
| Local land charges LLC1 certificated | 23.00 | - | 23.00 | 22.00 |
| | | | | |

Planning Services Pre-Application Fees and Charges 2021/22

| | Further Details | Cost (£) | VAT (£) | Total (£) |
|--|--|--|---------|-----------|
| Householder development (Duty Planner) | Only available for non-Complex Householder advice. This would include extensions to single dwellings, porches, garages, outbuildings and walls and fences. (No written advice). | Free | | Free |
| Householder development (Written advice) | Includes proposals to alter and extend individual houses and flats for residential purposes where the development relates to a building which is not listed as being of architectural or historic interest. In cases where the house or flat is listed then the charge will fall within Minor Development. | 90.83 | 18.17 | 109.00 |
| Householder development (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals to alter and extend individual houses and flats for residential purposes where the development relates to a building which is not listed as being of architectural or historic interest. In cases where the house or flat is listed then the charge will fall within Minor Development. | 172.50 | 34.50 | 207.00 |
| Smallscale commercial development (Written advice) | Includes proposals for: Change of use up to 200m2 Extensions to commercial properties under 50m2 1-3 Advertisements Amendments to Previously Approved Schemes | 90.83 | 18.17 | 109.00 |
| Smallscale commercial development (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: Change of use up to 200m2 Extensions to commercial properties under 50m2 1-3 Advertisements Amendments to Previously Approved Schemes | 172.50 | 34.50 | 207.00 |
| Minor development (Written advice) | Includes proposals for: 1-4 residential units or gross external floorspace of up to 499m2 Change of use between 200 and 499m2 Extensions to commercial properties over 50m2 Over three advertisements Public Art Telecommunications Equipment Air Conditioning / Ventilation Equipment Amendments to Previously Approved Schemes | 228.33 | 45.67 | 274.00 |
| Minor development (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: 1-4 residential units or gross external floorspace of up to 499m2 Change of use between 200 and 499m2 Extensions to commercial properties over 50m2 Over three advertisements Public Art Telecommunications Equipment Air Conditioning / Ventilation Equipment Amendments to Previously Approved Schemes | 512.50 | 102.50 | 615.00 |
| Medium development (Written advice) | Includes proposals for: 5-9 residential units or gross external floorspace of 500-999m2 | 341.67 | 68.33 | 410.00 |
| Medium development (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: 5-9 residential units or gross external floorspace of 500-999m2 | 570.00 | 114.00 | 684.00 |
| Major development (Written advice) | Includes proposals for: 10-20 residential units Non-residential development with a gross external floorspace over 1,000m2 | 570.00 (Plus additional £21 +VAT per dwelling to a maximum of 74 dwellings) | 114.00 | 684.00 |

APPENDIX A

| | | | | |
|--|---|---|--------|----------|
| Major development (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: 10-20 residential units Non-residential development with a gross external floorspace over 1,000m2 | 1,140.00 | 228.00 | 1,368.00 |
| (Plus additional £21 +VAT per dwelling to a maximum of 74 dwellings) | | | | |
| Strategic Proposals (Planning Performance Agreements) (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: Any application of 75 dwellings or more dwellings; or any outline residential development proposals whose site is 2 hectares or more. Any residential proposal promoted as an allocated site within the LDP. Any 100% Affordable Housing proposals of six dwellings or 0.3ha or more in outline form. Any non-residential development proposal, whose floor area is 1,500 square metres or more or whose site area is 2 hectares or more. Any non-residential proposals relating to development proposals allocated within the LDP. Any retail development 1,000 square meters or more or which of 250 square metres or more and is proposed to be beyond existing town centres as defined in the local plan or emerging LDP. Any mixed use development proposals whose site area is 2 hectares or more, or is of 75 dwellings or 1,000 square metres commercial floor area or more. Wind Turbines Any wind energy proposals whose output capacity is 1Mw or more or which proposes three or more turbines of 30m or more. Any Solar energy proposals whose output capacity is 1Mw or more or which proposes 4,000 or more solar panels. Energy from Waste Scheme which is 1KW capacity or more. | Individually determined at full cost recovery | | |
| Minor Alterations to Listed Building (Written advice) | Only available for very minor and non-Complex advice. This would include replacement windows. This only relates to development that does not fall within any category above. In those instances where it does the higher fee will be required. | 68.33 | 13.67 | 82.00 |
| Alterations/Extension to Listed Building (Written advice) | Includes proposals for: Alterations to a listed building Extensions and additions to a listed building Demolition of an unlisted building within a conservation area This only relates to development that does not fall within any category above. In those instances where it does the higher fee will be required. | 228.33 | 45.67 | 274.00 |
| Alterations/Extension to Listed Building (Meeting* with Planning Officer of no more than one hour and written advice) | Includes proposals for: Alterations to a listed building Extensions and additions to a listed building Demolition of an unlisted building within a conservation area This only relates to development that does not fall within any category above. In those instances where it does the higher fee will be required. | 555.83 | 111.17 | 667.00 |
| Development in a Conservation Area (Written Advice) | This only relates to development that does not fall within any category above. In those instances where it does the higher fee will be required. | 172.50 | 34.50 | 207.00 |
| Development in a Conservation Area (Meeting* with Planning Officer of no more than one hour and written advice) | This only relates to development that does not fall within any category above. In those instances where it does the higher fee will be required. | 500.83 | 100.17 | 601.00 |
| Minor Tree advice (Tree within a conservation area only) (Written advice) | Includes proposals for: Works to 1-4 individually listed trees | 68.33 | 13.67 | 82.00 |

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| | | | | |
|--|--|--------|-------|--------|
| Minor Tree advice (TPOs only) (Written advice) | Includes proposals for: Works to 1-4 individually listed trees Replacement of 1-4 individually listed trees | 90.83 | 18.17 | 109.00 |
| Minor Tree advice (TPOs only) (Meeting* with appropriate Officer of no more than one hour and written advice) | Includes proposals for: Works to 1-4 individually listed trees Replacement of 1-4 individually listed trees | 228.33 | 45.67 | 274.00 |
| Major Tree advice (TPOs only) (Meeting* with appropriate Officer of no more than one hour and written advice) | Includes proposals for: Works to 5 or more individually listed trees Replacement of 5 or more individually listed trees Works to trees within an area protected under a Tree Preservation Order Works to trees within a woodland protected under a Tree Preservation Order | 456.67 | 91.33 | 548.00 |
| Inspection of compliance with Enforcement Notice | Written confirmation that an enforcement notice has been complied with. | 228.33 | 45.67 | 274.00 |
| Compliance with Condition requests | Includes, but not exclusively: Written confirmation that a condition(s) has been complied with Written confirmation that a condition(s) has been discharged | 172.50 | 34.50 | 207.00 |
| Compliance with S.106 Agreement requests | Written confirmation that all/some S.106 obligations have been agreed per obligation | 114.17 | 22.83 | 137.00 |
| Planning History requests | Includes, but not exclusively: Written confirmation of any restrictions imposed on a site on a site. Confirmation of authorised use of a site Confirmation of an absence of an agricultural occupancy condition | 172.50 | 34.50 | 207.00 |

*All pre-application and advice Meeting*s will be held at the Council Offices. However, if it is agreed necessary to convene a Meeting* on site, travel time to and from the site will be charged at the hourly Meeting rate. Officers are unable to hold a site Meeting* without the prior deposit of plans or written proposals.

TABLE A - NEW DWELLINGS
2021/22

Dwelling-houses and Flats not exceeding 300m2

Please note that the Charges marked with an * have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equivalent to the discount (see D14 below)

VAT rate **20.0%**

| Code | Bungalows or Houses less than 4 storeys | | Plan Charge | Inspection Charge * | Building Notice Charge* | Regularisation Charge* |
|------|---|-------|---|---------------------|-------------------------|------------------------|
| H01 | 1 Plot | Net | 199.00 | 498.00 | 767.00 | 977.00 |
| | | VAT | 39.80 | 99.60 | 153.40 | - |
| | | Total | 238.80 | 597.60 | 920.40 | 977.00 |
| H02 | 2 Plots | Net | 299.00 | 797.00 | 1,206.00 | 1,535.00 |
| | | VAT | 59.80 | 159.40 | 241.20 | - |
| | | Total | 358.80 | 956.40 | 1,447.20 | 1,535.00 |
| H03 | 3 Plots | Net | 349.00 | 1,096.00 | 1,589.00 | 2,023.00 |
| | | VAT | 69.80 | 219.20 | 317.80 | - |
| | | Total | 418.80 | 1,315.20 | 1,906.80 | 2,023.00 |
| H04 | 4 Plots | Net | 399.00 | 1,395.00 | 1,973.00 | 2,511.00 |
| | | VAT | 79.80 | 279.00 | 394.60 | - |
| | | Total | 478.80 | 1,674.00 | 2,367.60 | 2,511.00 |
| H05 | 5 Plots | Net | 448.00 | 1,694.00 | 2,357.00 | 3,000.00 |
| | | VAT | 89.60 | 338.80 | 471.40 | - |
| | | Total | 537.60 | 2,032.80 | 2,828.40 | 3,000.00 |
| | Flats | | | | | |
| F01 | 1 | Net | 199.00 | 498.00 | 767.00 | 977.00 |
| | | VAT | 39.80 | 99.60 | 153.40 | - |
| | | Total | 238.80 | 597.60 | 920.40 | 977.00 |
| F02 | 2 | Net | 299.00 | 648.00 | 1,041.00 | 1,325.00 |
| | | VAT | 59.80 | 129.60 | 208.20 | - |
| | | Total | 358.80 | 777.60 | 1,249.20 | 1,325.00 |
| F03 | 3 | Net | 349.00 | 797.00 | 1,261.00 | 1,604.00 |
| | | VAT | 69.80 | 159.40 | 252.20 | - |
| | | Total | 418.80 | 956.40 | 1,513.20 | 1,604.00 |
| F04 | 4 | Net | 399.00 | 947.00 | 1,480.00 | 1,883.00 |
| | | VAT | 79.80 | 189.40 | 296.00 | - |
| | | Total | 478.80 | 1,136.40 | 1,776.00 | 1,883.00 |
| F05 | 5 | Net | 448.00 | 1,096.00 | 1,699.00 | 2,162.00 |
| | | VAT | 89.60 | 219.20 | 339.80 | - |
| | | Total | 537.60 | 1,315.20 | 2,038.80 | 2,162.00 |
| | Conversion to | | | | | |
| V01 | Single Dwelling-House | Net | 199.00 | 598.00 | 877.00 | 1,116.00 |
| | | VAT | 39.80 | 119.60 | 175.40 | - |
| | | Total | 238.80 | 717.60 | 1,052.40 | 1,116.00 |
| V02 | Single Flat | Net | 199.00 | 498.00 | 767.00 | 977.00 |
| | | VAT | 39.80 | 99.60 | 153.40 | - |
| | | Total | 238.80 | 597.60 | 920.40 | 977.00 |
| | Notifiable electrical work | | (where applicable, in addition to the above, per dwelling) | | | |
| D14 | (Where a satisfactory certificate will not be issued by a Part P registered electrician) | Net | This charge relates to a first fix pre-plaster inspection and final testing on completion. For Regularisation application a full appraisal and testing will be carried out. | | 209.00 | 266.00 |
| | | VAT | | | 41.80 | - |
| | | Total | | | 250.80 | 266.00 |

Where Standard Charges are not applicable please contact Building Control on 01621 876235

TABLE B - WORK TO A SINGLE DWELLING

2021/22

Limited to work not more than 3 storeys above ground level

Please note that the Charges marked with an * have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equivalent to the discount (see D14 below)

VAT rate 20.0%

| Code | Extension & New Build | | Full Plans | | Full Plans - Multiple work reductions only ** | | Building Notice Charge * | Multiple work reductions only Building Notice Charge * at 50% reduced rate ** | Regularisation Charge * |
|--|---|---------------------|---|----------------------------|---|--|------------------------------|---|---------------------------|
| | | | Plan Charge | Inspection Charge * | Plan Charge at 50% reduced rate ** | Inspection Charge * at 50% reduced rate ** | | | |
| D01 | Separate single storey extension with floor area not exceeding 40m² | Net VAT Total | 199.00 39.80 238.80 | 399.00 79.80 478.80 | 100.00 20.00 120.00 | 200.00 40.00 240.00 | 658.00 131.60 789.60 | 329.00 65.80 394.80 | 837.00 - 837.00 |
| D02 | Separate single storey extension with floor area exceeding 40m² but not exceeding 100m² | Net VAT Total | 199.00 39.80 238.80 | 498.00 99.60 597.60 | 100.00 20.00 120.00 | 249.00 49.80 298.80 | 767.00 153.40 920.40 | 384.00 76.80 460.80 | 977.00 - 977.00 |
| D03 | Separate extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m² | Net VAT Total | 208.00 41.60 249.60 | 448.00 89.60 537.60 | 104.00 20.80 124.80 | 224.00 44.80 268.80 | 722.00 144.40 866.40 | 361.00 72.20 433.20 | 918.00 - 918.00 |
| D04 | Separate extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m² but not ex 100m² | Net VAT Total | 216.00 43.20 259.20 | 598.00 119.60 717.60 | 108.00 21.60 129.60 | 299.00 59.80 358.80 | 895.00 179.00 1,074.00 | 448.00 89.60 537.60 | 1,139.00 - 1,139.00 |
| D05 | A building or extension comprising SOLELY of a garage, carport or store - total floor area not exceeding 100m² | Net VAT Total | 199.00 39.80 238.80 | 233.00 46.60 279.60 | 100.00 20.00 120.00 | 117.00 23.40 140.40 | 475.00 95.00 570.00 | 238.00 47.60 285.60 | 605.00 - 605.00 |
| D06 | Detached non-habitable domestic building with total floor area not exceeding 50m² | Net VAT Total | 199.00 39.80 238.80 | 299.00 59.80 358.80 | 100.00 20.00 120.00 | 150.00 30.00 180.00 | 548.00 109.60 657.60 | 274.00 54.80 328.80 | 698.00 - 698.00 |
| Conversions | | | | | | | | | |
| D07 | First floor & second floor loft conversions | Net VAT Total | 199.00 39.80 238.80 | 399.00 79.80 478.80 | 100.00 20.00 120.00 | 200.00 40.00 240.00 | 658.00 131.60 789.60 | 329.00 65.80 394.80 | 837.00 - 837.00 |
| D08 | Other work (e.g. garage conversions) | Net VAT Total | 199.00 39.80 238.80 | 199.00 39.80 238.80 | 100.00 20.00 120.00 | 100.00 20.00 120.00 | 438.00 87.60 525.60 | 219.00 43.80 262.80 | 558.00 - 558.00 |
| Alterations (including underpinning) | | | | | | | | | |
| D09 | Renovation of a thermal element | Net VAT Total | 100.00 20.00 120.00 | 100.00 20.00 120.00 | 50.00 10.00 60.00 | 50.00 10.00 60.00 | 219.00 43.80 262.80 | 110.00 22.00 132.00 | 279.00 - 279.00 |
| D10 | Replacement of windows, roof lights, roof windows or external glazed doors | Net VAT Total | 100.00 20.00 120.00 | 100.00 20.00 120.00 | 50.00 10.00 60.00 | 50.00 10.00 60.00 | 219.00 43.80 262.80 | 110.00 22.00 132.00 | 279.00 - 279.00 |
| D11a | Cost of work not exceeding £2,000 (Incl Renewable Energy systems) | Net VAT Total | 100.00 20.00 120.00 | 149.00 29.80 178.80 | 50.00 10.00 60.00 | 75.00 15.00 90.00 | 274.00 54.80 328.80 | 137.00 27.40 164.40 | 349.00 - 349.00 |
| D11 | Cost of work exceeding £2,001 & not exceeding £5,000 (Incl Renewable Energy systems) | Net VAT Total | 149.00 29.80 178.80 | 199.00 39.80 238.80 | 75.00 15.00 90.00 | 100.00 20.00 120.00 | 384.00 76.80 460.80 | 192.00 38.40 230.40 | 488.00 - 488.00 |
| D12 | Cost of work exceeding £5,001 & not exceeding £25,000 | Net VAT Total | 199.00 39.80 238.80 | 332.00 66.40 398.40 | 100.00 20.00 120.00 | 166.00 33.20 199.20 | 585.00 117.00 702.00 | 293.00 58.60 351.60 | 744.00 - 744.00 |
| D13 | Cost of work exceeding £25,001 & not exceeding £100,000 | Net VAT Total | 249.00 49.80 298.80 | 498.00 99.60 597.60 | 125.00 25.00 150.00 | 249.00 49.80 298.80 | 822.00 164.40 986.40 | 411.00 82.20 493.20 | 1,046.00 - 1,046.00 |
| Notifiable Electrical work (in addition to the above, where applicable) | | | | | | | | | |
| D14 | (Where a satisfactory certificate will not be issued by a Part P registered electrician) | Net VAT Total | This charge relates to a first fix pre-plaster inspection and final testing on completion. For Regularisation application a full appraisal and testing will be carried out. | | | | 350.00 70.00 420.00 | n/a n/a n/a | 447.00 - 447.00 |

****Multiple work reductions.** Where the proposed works consist of more than one of the above elements then the appropriate charge is calculated by paying the full amount for the most expensive element and only 50% for the other applicable elements **with the exception of D14 electrical Works**

Where Standard Charges are not applicable please contact Building Control on 01621 876235

TABLE C - ALL OTHER NON-DOMESTIC WORK
2021/22

APPENDIX A

Limited to work not more than 3 storeys above ground level

VAT rate **20.0%**

| Code | Extensions and New Build | | Plan Charge | Plan Charge at 50% reduced rate** (for multiple works only) | Inspection Charge | Inspection Charge * at 50% reduced rate ** (for multiple works only) | Regularisation Charge |
|--------------------|--|--------------|---------------|---|-------------------|--|-----------------------|
| N01 | Single storey with floor area not exceeding 40m2 | Net | 208.00 | 104.00 | 399.00 | 200.00 | 849.00 |
| | | VAT | 41.60 | 20.80 | 79.80 | 40.00 | - |
| | | Total | 249.60 | 124.80 | 478.80 | 240.00 | 849.00 |
| N02 | Single storey with floor area not exceeding 40m2 but not exceeding 100m2 | Net | 233.00 | 117.00 | 515.00 | 258.00 | 1,046.00 |
| | | VAT | 46.60 | 23.40 | 103.00 | 51.60 | - |
| | | Total | 279.60 | 140.40 | 618.00 | 309.60 | 1,046.00 |
| N03 | With some part 2 or 3 storey in height and a total floor area not exceeding 40m2 | Net | 249.00 | 125.00 | 565.00 | 283.00 | 1,139.00 |
| | | VAT | 49.80 | 25.00 | 113.00 | 56.60 | - |
| | | Total | 298.80 | 150.00 | 678.00 | 339.60 | 1,139.00 |
| N04 | With some part 2 or 3 storey in height and a total floor area exceeding 40m2 but not exceeding 100m2 | Net | 266.00 | 133.00 | 648.00 | 324.00 | 1,279.00 |
| | | VAT | 53.20 | 26.60 | 129.60 | 64.80 | - |
| | | Total | 319.20 | 159.60 | 777.60 | 388.80 | 1,279.00 |
| Alterations | | | | | | | |
| N05 | Cost of work not exceeding £5,000 | Net | 149.00 | 75.00 | 149.00 | 75.00 | 419.00 |
| | | VAT | 29.80 | 15.00 | 29.80 | 15.00 | - |
| | | Total | 178.80 | 90.00 | 178.80 | 90.00 | 419.00 |
| | Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units) | Net | 149.00 | 75.00 | 149.00 | 75.00 | 419.00 |
| | | VAT | 29.80 | 15.00 | 29.80 | 15.00 | - |
| | | Total | 178.80 | 90.00 | 178.80 | 90.00 | 419.00 |
| | Renewable Energy systems (not covered by an appropriate competent persons scheme) | Net | 149.00 | 75.00 | 149.00 | 75.00 | 419.00 |
| | | VAT | 29.80 | 15.00 | 29.80 | 15.00 | - |
| | | Total | 178.80 | 90.00 | 178.80 | 90.00 | 419.00 |
| | Installation of new shop front | Net | 149.00 | 75.00 | 149.00 | 75.00 | 419.00 |
| | | VAT | 29.80 | 15.00 | 29.80 | 15.00 | - |
| | | Total | 178.80 | 90.00 | 178.80 | 90.00 | 419.00 |
| N06 | Cost of work exceeding £5,000 & not exceeding £25,000 | Net | 199.00 | 100.00 | 199.00 | 100.00 | 558.00 |
| | | VAT | 39.80 | 20.00 | 39.80 | 20.00 | - |
| | | Total | 238.80 | 120.00 | 238.80 | 120.00 | 558.00 |
| | Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units) | Net | 199.00 | 100.00 | 199.00 | 100.00 | 558.00 |
| | | VAT | 39.80 | 20.00 | 39.80 | 20.00 | - |
| | | Total | 238.80 | 120.00 | 238.80 | 120.00 | 558.00 |
| | Renovation of thermal elements | Net | 199.00 | 100.00 | 199.00 | 100.00 | 558.00 |
| | | VAT | 39.80 | 20.00 | 39.80 | 20.00 | - |
| | | Total | 238.80 | 120.00 | 238.80 | 120.00 | 558.00 |
| | Installation of a Raised Storage Platform within an existing building | Net | 199.00 | 100.00 | 199.00 | 100.00 | 558.00 |
| | | VAT | 39.80 | 20.00 | 39.80 | 20.00 | - |
| | | Total | 238.80 | 120.00 | 238.80 | 120.00 | 558.00 |
| N07 | Cost of works exceeding £25,000 & not exceeding £100,000 | Net | 299.00 | 150.00 | 399.00 | 200.00 | 977.00 |
| | | VAT | 59.80 | 30.00 | 79.80 | 40.00 | - |
| | | Total | 358.80 | 180.00 | 478.80 | 240.00 | 977.00 |
| | Fit out of building up to 100m2 | Net | 299.00 | 150.00 | 399.00 | 200.00 | 977.00 |
| | | VAT | 59.80 | 30.00 | 79.80 | 40.00 | - |
| | | Total | 358.80 | 180.00 | 478.80 | 240.00 | 977.00 |

Multiple work reductions. Where the proposed works consist of more than one of the above elements then the appropriate charge is calculated by paying the full amount for the most expensive element and only 50% for the other applicable elements.

Where Standard Charges are not applicable please contact Building Control on 01621 876235

Summary of Changes

No Change

Deemed unsuitable to raise fees at this time:

ASB
 Clean Neighbourhoods
 Contaminated Land
 Litter Penalties
 Pest Control
 Refuse Collection
 Recycling - New Properties
 Street Cleansing
 Cemeteries
 Off Street Parking
 Parks & Sports Pitches
 Wharfage Fees
 Splash Park
 Development Control

Inflation Increases

Inflation increase based on October's CPI figure of 0.7%:

Gambling
 Sex Establishments
 Refuse Collection
 Funfairs & Circuses
 Parks & Open Spaces
 Parks & Sports Pitches

Above Inflation Increases

Mainly due to cost recovery purposes or increasing demand:

Licensing of houses in multiple occupation
 Food, Safety & Hygiene
 Licensing
 Mobile Homes Act
 Scrap Metal Dealers
 Domestic Refuse
 Recycling - Green Bins & Waste
 Other Council owned Land Hire for Concessions
 Moorings
 Wharfage Events
 Land Charges

New Charges replacing Old Charges

Designed to be more relevant/clearer rather than to increase income

Stray Dogs
 Cemeteries

New Charges

Necessary as not currently listed

Repairing vehicle on a road
 Licensing of houses in multiple occupation

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES SERVICES COMMITTEE
28 JANUARY 2021**

TREASURY MANAGEMENT STRATEGY 2021 / 22

1. PURPOSE OF THE REPORT

- 1.1 The Code of Practice for Treasury Management requires the Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Code. Members are therefore asked to consider and recommend to the Council approval of the Treasury Management Strategy for 2021 / 22.

2. RECOMMENDATIONS

To the Council:

That the Treasury Management Strategy 2021 / 22 (**APPENDIX 1**) be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Treasury Management Strategy for 2021 / 22 is attached at **APPENDIX 1** and the supporting Treasury Management Practices are attached at **APPENDIX 2**.
- 3.2 The Strategy has been reviewed by the Council's Treasury Advisor, Arlingclose Ltd and includes their latest Interest Rate and Economic Outlooks at the time of writing in December 2020.

4. CONCLUSION

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

5. IMPACT ON STRATEGIC THEMES

- 5.1 This Strategy links to the Councils organisational focus on performance and efficiency.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – A key element of the strategy is effective control of the risks associated with treasury management activities.
- (iv) **Impact on Resources (financial)** – Investment interest received is a financial resource available to support spending on service provision. Appropriately qualified and trained staff are involved in the day to day operation of the Treasury Management function.
- (v) **Impact on Resources (human)** – None directly.
- (vi) **Impact on the Environment** – None.

Background papers: None.

Enquiries to: Lance Porteous, Lead Specialist, Finance (email: lance.porteous@maldon.gov.uk)

Treasury Management Strategy Statement 2021 / 22

Maldon District Council

Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. Investments held are considered in the Capital and Investment Strategy Report.

External Context

Economic background: The impact on the UK from coronavirus, together with its exit from the European Union and future trading arrangements with the bloc, will remain a major influence on the Authority's treasury management strategy for 2021/22.

The Bank of England (BoE) maintained Bank Rate at 0.10% in November 2020 and also extended its Quantitative Easing programme by £150 billion to £895 billion. The Monetary Policy Committee voted unanimously for both, but no mention was made of the potential future use of negative interest rates. Within the latest forecasts, the Bank expects the UK economy to shrink -2% in Q4 2020 before growing by 7.25% in 2021, lower than the previous forecast of 9%. The BoE also forecasts the economy will now take until Q1 2022 to reach its pre-pandemic level rather than the end of 2021 as previously forecast.

UK Consumer Price Inflation (CPI) for October 2020 registered 0.7% year on year, up from 0.2% in the previous month. Core inflation, which excludes the more volatile components, rose to 1.5% from 1.3%. The most recent labour market data for the three months to August 2020 showed the unemployment rate rose to 4.5% while the employment rate fell to 75.6%. Both measures are expected to deteriorate further due to the ongoing impact of coronavirus on the jobs market, particularly when the various government job retention schemes start to be unwound in 2021, with the BoE forecasting unemployment will peak at 7.75% in Q2 2021. In August, the headline 3-month average annual growth rate for wages were 0% for total pay and 0.8% for regular pay. In real terms, after adjusting for inflation, total pay growth fell by -0.8% while regular pay was up 0.1%.

GDP growth fell by -19.8% in the second quarter of 2020, a much sharper contraction from -2.0% in the previous three months, with the annual rate falling -21.5% from -1.6%. All sectors fell quarter-on-quarter, with dramatic declines in construction (-35.7%), services (-19.2%) and production (-16.3%), and a more modest fall in agriculture (-5.9%). Monthly GDP estimates have shown the economy is recovering but remains well below its pre-pandemic peak. Looking ahead, the BoE's November Monetary Policy Report forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021, 3.1% in Q4 2022 and 1.6% in Q4 2023.

GDP growth in the euro zone rebounded by 12.7% in Q3 2020 after contracting by -3.7% and -11.8% in the first and second quarters, respectively. Headline inflation, however, remains extremely weak, registering -0.3% year-on-year in October, the third successive month of deflation. Core inflation registered 0.2% y/y, well below the European Central Bank's (ECB) target of 'below, but close to 2%'. The ECB is expected to continue holding its main interest rate of 0% and deposit facility rate of -0.5% for some time with further monetary stimulus expected later in 2020.

The US economy contracted at an annualised rate of 31.7% in Q2 2020 and then rebounded by 33.1% in Q3. The Federal Reserve maintained the Fed Funds rate at between 0% and 0.25% and announced a change to its inflation targeting regime to a more flexible form of average targeting. The Fed also provided strong indications that interest rates are unlikely to change from current levels over the next three years.

Former vice-president Joe Biden won the 2020 US presidential election. Mr Biden is making tackling coronavirus his immediate priority and will also be reversing several executive orders signed by his predecessor and take the US back into the Paris climate accord and the World Health Organization.

Credit outlook: After spiking in late March as coronavirus became a global pandemic, credit default swap (CDS) prices for the larger UK banks have steadily fallen back to almost pre-pandemic levels. Although uncertainty around COVID-19 related loan defaults lead to banks provisioning billions for potential losses in the first half of 2020, drastically reducing profits, reported impairments for Q3 were much reduced in some institutions. However, general bank profitability in 2020 is likely to be significantly lower than in previous years.

The credit ratings for many UK institutions were downgraded on the back of downgrades to the sovereign rating. Credit conditions more generally though in banks and building societies have tended to be relatively benign, despite the impact of the pandemic.

Looking forward, the potential for bank losses to be greater than expected when government and central bank support starts to be removed remains a risk, as does the UK not achieving a Brexit deal, suggesting a cautious approach to bank deposits in 2021/22 remains advisable.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that BoE Bank Rate will remain at 0.1% until at least the end of 2023. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the Brexit transition period ends. The BoE extended its asset purchase programme to £895 billion in November while keeping Bank Rate on hold. However, further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast.

Gilt yields are expected to remain very low in the medium-term while short-term yields are likely remain below or at zero until such time as the BoE expressly rules out the chance of negative interest rates or growth/inflation prospects improve. The central case is for 10-year and 20-year to rise to around 0.5% and 0.75% respectively over the time horizon. The risks around the gilt yield forecasts are judged to be broadly balanced between upside and downside risks, but there will almost certainly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 0.6%. Any new borrowing will be built into the budget at the relevant rate. For the purpose of project costing, the PWLB certainty rate for the borrowing term will be used.

Local Context

On 30 November 2020 the Authority held zero of borrowing and £26m of treasury investments. This is set out in further detail later in this appendix. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

| | 31.3.20 Actual £000 | 31.3.21 Estimate £000 | 31.3.22 Forecast £000 | 31.3.23 Forecast £000 | 31.3.24 Forecast £000 |
|------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| General Fund CFR | 71 | 71 | 59 | 3 | 0 |
| Usable reserves | -11,891 | -7,907 | -7,665 | -6,805 | -4,149 |
| Working capital | -2,300 | -2,300 | -2,300 | -2,300 | -2,300 |
| Investments | 14,120 | 10,136 | 9,906 | 9,102 | 6,449 |

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Council is currently debt free and its capital expenditure plans imply no need to borrow over the forecast period. Investments are forecast to fall to £6.4m by 31 March 2024 as capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2021/22.

Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk. The table shows MDC may drop below the £10m minimum investment from 2021/22.

Table 2: Liability benchmark

| | 31.3.20 Actual £000 | 31.3.21 Estimate £000 | 31.3.22 Forecast £000 | 31.3.23 Forecast £000 | 31.3.24 Forecast £000 |
|----------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| General Fund CFR | 71 | 71 | 59 | 3 | 0 |
| Usable reserves | -11,891 | -7,907 | -7,665 | -6,805 | -4,149 |
| Working capital | -2,300 | -2,300 | -2,300 | -2,300 | -2,300 |
| Minimum Investments | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Liability benchmark | -4,120 | -136 | 94 | 898 | 3,551 |

Borrowing Strategy

The Council is currently debt free and its capital expenditure plans indicate a very small requirement to borrow and the Council will fulfil this requirement from short dated borrowing. Short-term interest rates are currently much lower than long-term rates, so this is likely to be more cost effective.

In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.

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

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except our Local Government Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

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

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

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

Short-term and variable rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

Treasury Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £10m and £30 million. Levels are expected to decrease in the forthcoming year as reserves are used to fund capital and revenue expenditure.

Objectives: The CIPFA Code requires the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative interest rates: The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will look to further diversify into more secure and/or higher yielding asset classes during 2021/22. This is especially the case for the funds available for longer-term investment. The majority of the Council's surplus cash remains invested in short-term unsecured bank deposits, certificates of deposit and money market funds. This diversification will represent a continuation of the new strategy adopted in 2017.

Business models: Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 3 below, subject to the limits shown.

Table 3: Treasury investment counterparties and limits

| Sector | Time limit | Counterparty limit | Sector limit |
|---|------------|--------------------|--------------|
| The UK Government | 50 years | Unlimited | n/a |
| Local authorities & other government entities | 25 years | £2m | Unlimited |
| Secured investments | 25 years | £2m | Unlimited |
| Banks (unsecured) | 13 months | £2m | Unlimited |
| Building societies (unsecured) | 13 months | £2m | £5m |
| Registered providers (unsecured) | 5 years | £2m | £5m |
| Money market funds | n/a | £5m | £12m |
| Strategic pooled funds | n/a | £5m | £12m |
| Real estate investment trusts | n/a | £5m | £12m |
| Other investments | 5 years | £2m | £5m |

This table must be read in conjunction with the notes below

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

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

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

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document at Appendix 2. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then no investments will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment limits: The Council's revenue reserves available to cover investment losses were forecast to be £6.1 million on 31st March 2022. In order that available reserves will not significantly be put at risk in the case of a single default, the maximum that will be lent to any one organisation including UK Local Government Authorities (other than the UK Government) will be £2 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

| | Cash limit |
|---|-------------------|
| Any single organisation, except the UK Central Government | £2m each |
| UK Central Government | unlimited |
| UK Local Government Authorities | £2m per Authority |
| Any group of organisations under the same ownership | £2m per group |
| Any group of pooled funds under the same management | £5m per manager |
| Negotiable instruments held in a broker's nominee account | £10m per broker |
| Registered providers and registered social landlords | £2m in total |
| Unsecured investments with building societies | £5m in total |
| Loans to unrated corporates | £2m in total |
| Money market funds | £12m in total |

Liquidity management: The Authority uses purpose-built cash flow forecasting methods to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium-term financial plan and cash flow forecast.

The Authority spreads its liquid cash over at multiple providers to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Indicators

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

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio.

This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

| Credit risk indicator | Target |
|--------------------------------|--------|
| Portfolio average credit score | 6 |

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

| Liquidity risk indicator | Target £000 |
|--------------------------------------|----------------|
| Total cash available within 3 months | £5,000 |

Interest rate exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

| Interest rate risk indicator | Limit |
|--|----------|
| Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates | £62,000 |
| Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates | -£45,000 |

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

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

| Refinancing rate risk indicator | Upper limit | Lower limit |
|---------------------------------|-------------|-------------|
| Under 12 months | 100% | 0% |
| 12 months and within 24 months | 100% | 0% |
| 24 months and within 5 years | 100% | 0% |
| 5 years and within 10 years | 100% | 0% |
| 10 years and above | 100% | 0% |

As the Council does not have any external debt, the broad limits, above, have been set to allow any borrowing to be undertaken in the appropriate maturity band.

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

Principal sums invested for periods longer than a year: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

| Price risk indicator | 2020/21 £000 | 2021/22 £000 | 2022/23 £000 |
|---|-----------------|-----------------|-----------------|
| Limit on principal invested beyond year end | £7,500 | £7,500 | £7,500 |

Related Matters

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

Financial derivatives: Councils have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this

policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

Markets in Financial Instruments Directive: The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Section 151 Officer considers this to be the most appropriate status.

Financial Implications

The budget for investment income in 2021/22 is £133,000, based on an average investment portfolio of £21 million at an average interest rate of 0.6%. The budget for debt interest paid in 2020/21 is currently zero as there is not a confirmed timeline for any borrowing requirement. If actual levels of investments and borrowing, or actual interest rates, differ from that forecast, performance against budget will be correspondingly different.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Section 151 Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

| Alternative | Impact on income and expenditure | Impact on risk management |
|---|--|---|
| Invest in a narrower range of counterparties and/or for shorter times | Interest income will be lower | Lower chance of losses from credit related defaults, but any such losses may be greater |
| Invest in a wider range of counterparties and/or for longer times | Interest income will be higher | Increased risk of losses from credit related defaults, but any such losses may be smaller |
| Borrow additional sums at long-term fixed interest rates | Debt interest costs will rise; this is unlikely to be offset by higher investment income | Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain |
| Borrow short-term or variable loans instead of long-term fixed rates | Debt interest costs will initially be lower | Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain |
| Reduce level of borrowing | Saving on debt interest is likely to exceed lost investment income | Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain |

Appendix A - Arlingclose Economic & Interest Rate Forecast - November 2020**Underlying assumptions:**

- The medium-term global economic outlook remains weak. Second waves of Covid cases have prompted more restrictive measures and further lockdowns in Europe and the UK. This ebb and flow of restrictions on normal activity will continue for the foreseeable future, at least until an effective vaccine is produced and importantly, distributed.
- The global central bank and government responses have been significant and are in many cases on-going, maintaining more stable financial, economic and social conditions than otherwise.
- Although these measures supported a sizeable economic recovery in Q3, the imposition of a second national lockdown in England during November will set growth back and likely lead to a fall in GDP in Q4.
- Signs of a slowing economic recovery were already evident in UK monthly GDP and PMI data, even before the latest restrictions. Despite some extension to fiscal support measures, unemployment is expected to rise when these eventually come to an end in mid-2021.
- This situation will result in central banks maintaining low interest rates for the medium term. In the UK, Brexit is a further complication. Bank Rate is therefore likely to remain at low levels for a very long time, with a distinct possibility of being cut to zero. Money markets continue to price in a chance of negative Bank Rate.
- Longer-term yields will also remain depressed, anchored by low central bank policy rates, expectations for potentially even lower rates and insipid inflation expectations. There is a chance yields may follow a slightly different path in the medium term, depending on investor perceptions of growth and inflation, the development of a vaccine or if the UK leaves the EU without a deal.

Forecast:

- Arlingclose expects Bank Rate to remain at the current 0.10% level.
- Additional monetary loosening through increased financial asset purchases was delivered as we expected. Our central case for Bank Rate is no change, but further cuts to zero, or perhaps even into negative territory, cannot be completely ruled out.
- Gilt yields will remain low in the medium term. Shorter term gilt yields are currently negative and will remain around zero or below until either the Bank expressly rules out negative Bank Rate or growth/inflation prospects improve.
- Downside risks remain in the near term, as the government continues to react to the escalation in infection rates and the Brexit transition period comes to an end.

APPENDIX 1

| | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 | Jun-22 | Sep-22 | Dec-22 | Mar-23 | Jun-23 | Sep-23 | Dec-23 |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Official Bank Rate | | | | | | | | | | | | | |
| Upside risk | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 0.15 | 0.15 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Arlingclose Central Case | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Downside risk | -0.10 | -0.20 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 |
| 3-month money market rate | | | | | | | | | | | | | |
| Upside risk | 0.05 | 0.05 | 0.05 | 0.10 | 0.10 | 0.15 | 0.20 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Arlingclose Central Case | 0.10 | 0.10 | 0.15 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Downside risk | -0.40 | -0.40 | -0.45 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 |
| 5yr gilt yield | | | | | | | | | | | | | |
| Upside risk | 0.40 | 0.40 | 0.40 | 0.45 | 0.45 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.65 | 0.65 | 0.70 |
| Arlingclose Central Case | 0.00 | 0.00 | 0.05 | 0.10 | 0.15 | 0.15 | 0.20 | 0.20 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |
| Downside risk | -0.30 | -0.40 | -0.50 | -0.55 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 |
| 10yr gilt yield | | | | | | | | | | | | | |
| Upside risk | 0.40 | 0.40 | 0.40 | 0.45 | 0.45 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.65 | 0.65 | 0.70 |
| Arlingclose Central Case | 0.30 | 0.30 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.50 | 0.50 | 0.55 | 0.55 | 0.55 | 0.55 |
| Downside risk | -0.30 | -0.40 | -0.50 | -0.55 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 |
| 20yr gilt yield | | | | | | | | | | | | | |
| Upside risk | 0.40 | 0.40 | 0.40 | 0.45 | 0.45 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.65 | 0.65 | 0.70 |
| Arlingclose Central Case | 0.70 | 0.70 | 0.70 | 0.75 | 0.75 | 0.75 | 0.80 | 0.80 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Downside risk | -0.20 | -0.20 | -0.25 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 |
| 50yr gilt yield | | | | | | | | | | | | | |
| Upside risk | 0.40 | 0.40 | 0.40 | 0.45 | 0.45 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.65 | 0.65 | 0.70 |
| Arlingclose Central Case | 0.60 | 0.60 | 0.60 | 0.65 | 0.65 | 0.65 | 0.70 | 0.70 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Downside risk | -0.20 | -0.20 | -0.25 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 | -0.30 |

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80% PWLB HRA Rate = Gilt yield + 0.80%

PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix B - Existing Investment & Debt Portfolio Position

| | 30 Nov 2020 Actual Portfolio £m | 30 Nov 2020 Average Rate % |
|-----------------------------------|---------------------------------------|----------------------------------|
| Total external borrowing | 0 | |
| Total gross external debt | 0 | |
| Treasury investments: | | |
| UK Banks | 3 | 0.2 |
| Building societies (unsecured) | 0 | 0.0 |
| Certificate Deposit | 2 | 0.9 |
| Money Market Funds | 10 | 0.9 |
| Local Authorities | 6 | 0.2 |
| Other Financial Intermediaries | 2 | 2.3 |
| Debt management office | 3 | 0.0 |
| Total treasury investments | 26 | 0.6 |

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TREASURY MANAGEMENT PRACTICES PRINCIPLES AND SCHEDULES

Introduction:

The CIPFA Code of Practice on Treasury Management in the Public Services (the Code) was last revised in November 2017. The Code requires the setting out of the responsibilities and duties of members and officers, allowing a framework for reporting and decision making on all aspects of treasury management. This Council had adopted the original Code and has similarly adopted the revised 2017 Code. The Code recommends the creation and maintenance of:

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

The Treasury Management Practices (TMPs) comprise:

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

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

TMP 1: RISK MANAGEMENT

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

The Section 151 Officer will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in **TMP6 Reporting requirements and management information arrangements**. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out as schedules below.

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

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

Schedule:

| | |
|--|---|
| Criteria to be used for creating/managing approved counterparty lists/limits | <p>The Section 151 Officer is responsible for setting a prudent criteria and the Council's treasury advisors will also provide guidance and assistance in setting the criteria.</p> <p>The criteria will be agreed by Strategy and Resources Committee.</p> <p>The Council's treasury management advisors will advise on credit policy and creditworthiness related issues. The Council will maintain a counterparty list based on its criteria and will monitor and update the credit standing of the institutions on a regular basis. This assessment will include consideration of credit ratings from all 3 ratings agencies and other alternative assessments of credit strength (for example, statements of potential government support which now includes resolution mechanisms for failing financial institutions, CDS information, the composition of an institution's balance sheet liabilities). The Council will also take into account information on corporate developments of and market sentiment towards investment counterparties.</p> <p>The credit rating criteria will also apply to securities issued by financial and non-financial institutions, which in some instances, might be higher than that of the issuing institution.</p> <p>Higher time and cash limits may be set for secured investments (e.g. those with underlying collateral or which are by regulation excluded from being bailed-in/restructured in the event of financial distress.)</p> <ul style="list-style-type: none"> - Where there is no investment-specific rating, but collateral upon which the investment secured is rated, then the higher of the collateral and counterparty rating will be used to determine time and cash limits. |
|--|---|

| | |
|--|--|
| Approved methodology for changing limits and adding/removing counterparties | The Section 151 Officer has delegated responsibility to add or delete counterparties and to review limits within the parameters of the criteria detailed above. |
| <p>Risk management :</p> <p>(a) creditworthiness deteriorates below the minimum criteria</p> <p>(b) ratings are placed on review for downgrade</p> | <p>Where an entity's credit rating is downgraded so that it fails to meet the minimum criteria, then</p> <ul style="list-style-type: none"> - No new investments will be made, - Any existing investments that can be recalled or sold at no cost will be, and - Full consideration will be given to the recall or sale of other existing investments with the affected counterparty. <p>Where a credit rating is placed on review for possible downgrade (also termed 'rating watch negative' or 'credit watch negative') so that it may fall below the minimum approved credit criteria, then only investments that can be withdrawn on [the next working day] will be made with that organisation until the rating review has been completed and its outcome known.</p> <p>The policy in (b) will not apply for 'negative outlooks' which indicate a long-term direction of travel rather than a possibility of an imminent downgrade.</p> |
| Counterparty list and limits | <p>A full individual listing of banking counterparties based on the criteria will be maintained. As credit ratings etc. are subject to change without notice, an up-to-date lending list will be maintained on an ongoing basis.</p> <p>It may be impractical to have a pre-determined list of non-financial counterparties in whose securities investments might be made. The minimum credit rating criteria and whether the security is secured or unsecured will determine its selection for investment.</p> <p>No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the minimum credit rating criteria.</p> |
| Details of credit rating agencies' services and their application | The Council considers the ratings of all 3 ratings agencies (Standard & Poor's, Moody's and Fitch) when making investment decisions. Credit rating agency information is just one of a range of instruments used to assess creditworthiness of institutions. |
| Description of the general approach to collecting/using information other than credit ratings for counterparty risk assessment | <p>The Council's Treasury Advisor provides timely information on counterparties, in terms of credit rating updates and economic summaries. Credit default swap information is received monthly, as well as information on share price.</p> <p>The Council's Treasury Advisor also undertakes analysis on the balance sheet structure of key banking institutions to help inform the potential restructure (i.e. bail-in) of a bank's unsecured liabilities should this be required by the regulatory authorities.</p> <p>In addition, the Section 151 Officer reads quality financial press for information on counterparties.</p> |

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

Principle : The Section 151 Officer will ensure the Council has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

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

Schedule:

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

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

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

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

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

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

Schedule:

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

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

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

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

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

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

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

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| References to relevant statutes and regulations | <p>The treasury management activities of the Council shall comply fully with legal statute and the regulations of the Council. These are:</p> <ul style="list-style-type: none"> ▪ CIPFA's Treasury Management Code of Practice 2017 and subsequent amendments ▪ CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities ▪ CIPFA Prudential Code for Capital Finance in Local Authorities and subsequent amendments ▪ CIPFA Standard of Professional Practice on Treasury Management ▪ The Local Government Act 2003 ▪ The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 SI 2003 No 3146, and subsequent amendments ▪ Pensions, England and Wales - The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 - SI 2009 No 3093 ▪ The CLG's statutory Guidance on Minimum Revenue Provision (MRP) ▪ The ODPM's (now CLG's) Guidance on Local Government Investments in England issued March 2004 and subsequent amendments ▪ The Local Authorities (Contracting out of Investment Functions) Order 1996 SI 1996 No 1883 ▪ LAAP Bulletins ▪ Code of Practice on Local Authority Accounting in the United Kingdom based on International Financial Reporting Standards (from 2010/11 onwards) ▪ Accounts and Audit Regulations 2015, as amended together with CLG's Guidance ▪ The Non Investment Products Code (formerly known as The London Code of Conduct) for principals and broking firms in the wholesale markets ▪ Council's Constitution including:- <ul style="list-style-type: none"> ○ Standing Order relating to Contracts ○ Financial Regulations ○ Scheme of Delegation |
| Procedures for evidencing the organisation's powers/ authorities to counterparties | <p>The Council's Financial Regulations contain evidence of the power/ authority to act as required by section 151 of the Local Government Act 1972, under the general direction of the Strategy and Resources Committee.</p> <p>The Council will confirm, if requested to do so by counterparties, the powers and authorities under which the Council effects transactions with them.</p> <p>Where required, the Council will also establish the powers of those with whom they enter into transactions, including any compliance requirements in respect of a duty of care and best practice.</p> |
| Required information from counterparties concerning their powers/ authorities | <p>Lending shall only be made to institutions on the Council's authorised lending list or in securities which meet the Council's approved credit criteria.</p> <p>The Council will only undertake borrowing from approved sources such as the PWLB (and its successor body), organisations such as the European Investment Bank and from commercial banks who are on the Council's list of authorised institutions, thereby minimising legal and regulatory risk. The list of approved sources of borrowing are contained in TMP 4.</p> |

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| Statement on political risks and management of the same | Political risk is managed by: <ul style="list-style-type: none"> • adoption of the CIPFA Treasury Management Code of Practice • adherence to Corporate Governance (<u>TMP 12 - Corporate Governance</u>) |
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- 7) **Fraud, Error and Corruption, and Contingency Management:** The risk that the Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk referred to as operational risk.

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

Schedule:

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

- 8) **Market Risk Management:** This is the risk that, through adverse market fluctuations in the value of the principal sums the Council borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.

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

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

TMP 2: PERFORMANCE MEASUREMENT

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

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

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

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

TMP 3: DECISION-MAKING AND ANALYSIS

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

Schedule:

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| Major treasury decisions | <p>As a public service organisation, there is a requirement to demonstrate openness and accountability in treasury management activities. Accordingly, the Council will create and maintain an audit trail of major treasury management decisions which comprise either :</p> <ul style="list-style-type: none"> a) Options Appraisal to determine a funding decision b) raising a new long-term loan / long-term source of finance c) prematurely restructuring/redeeming an existing long-term loan(s) d) investing longer-term (i.e. in excess of 1 year) e) utilisation of investment instruments which constitute capital expenditure (i.e. loan capital/share capital in a body corporate) f) leasing g) change in banking arrangements h) appointing/replacing a treasury advisor i) appointing/replacing a fund manager |
| Process | The Council's strategy for the application of its treasury policy is set out in the annual Treasury Management Strategy. |
| Delegated powers for treasury management | The Section 151 Officer has delegated powers to carry out the Council's strategy for debt management, capital finance and borrowing, depositing surplus funds and managing the cash flows of the Council. |

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| Issues to be addressed, evaluation, authorisation | <p>In exercising these powers, the Section 151 Officer and those to whom the treasury activity have been delegated will</p> <ul style="list-style-type: none"> • have regard to the nature and extent of any associated risks to which the Council may become exposed; • be certain about the legality of the decision reached and that the necessary authority to proceed has been obtained; • be satisfied that the documentation is adequate to deliver the Council's objectives, protect the Council's interests, and to maintain an effective audit trail; • ensure that the perceived credit risk associated with the approved counterparties is judged satisfactory and is within agreed limits; • be satisfied that the terms of any transactions have been fully checked against the market, and have been found to be competitive; • follow best practice in implementing the treasury transaction. <p>In exercising Borrowing and Funding decisions, the Section 151 Officer will :</p> <ul style="list-style-type: none"> • evaluate economic and market factors that may influence the manner and timing of any decision to fund; • consider alternative forms of funding, including use of revenue resources, leasing and private partnerships; • consider the use of internal resources and/or the most appropriate periods to fund and repayment profiles to use; • consider ongoing revenue liabilities created; • where applicable, monitor regularly the benefits of internal borrowing against the potential for incurring additional costs by deferring borrowing into future years • consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use; • consider ongoing revenue liabilities created. <p>In exercising Investment decisions, the Section 151 Officer will :</p> <ul style="list-style-type: none"> • Determine that the investment is within the Council's strategy and pre-determined instruments and criteria; • consider the optimum period, in the light of core balances and reserves, cash flow availability and prevailing market conditions; • consider the alternative investment products and techniques available if appropriate. |
| Processes to be followed | The processes to be followed will be in keeping with TMP 4: The Council's Approved, Instruments, Methods and Techniques. |
| Evidence and records to be kept | <p>The Council will maintain a record of all major treasury management decisions, the processes undertaken and the rationale for reaching the decision made. These will allow for an historical assessment of decisions made and verification that any checks and safeguards are indeed in place and operating correctly.</p> <p>Records and working papers will be maintained by the Council electronically and in relevant files.</p> |

TMP 4: APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

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

Schedule:

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

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

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

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

If and when the Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the Section 151 Officer will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements, and the implications properly considered and evaluated.

The Section 151 Officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangements for absence cover. The Section 151 Officer will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements are detailed in the schedule below.

The Section 151 Officer will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule below.

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

Schedule:

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| Limits to responsibilities at Executive levels | <p>Full Council</p> <ul style="list-style-type: none"> • budget consideration and approval <p>Strategy and Resources Committee:</p> <ul style="list-style-type: none"> • receiving and reviewing Prudential Indicators as part of the budget setting process • receiving and reviewing reports on treasury management policies, practices and activities • approval of amendments to adopted clauses, treasury management policy statement and treasury management practices • receiving and reviewing external audit reports and acting on recommendations • approving the selection of external service providers and agreeing terms of appointment |
| Principles and practices concerning segregation of duties | <p>The segregation of duties will be determined by the Section 151 Officer.</p> <p>Segregation of duties exists in that:</p> <ul style="list-style-type: none"> • the officer(s) responsible for negotiating and closing treasury management deals is separate from officer(s) authorising payments • all borrowing/investments decisions must be authorised by the Section 151 Officer. |

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| Statement of duties/ responsibilities of each treasury post | <p>Examples:</p> <p>The Section 151 Officer :</p> <ul style="list-style-type: none"> • submitting budgets and budget variations • recommending clauses, treasury management policy, practices for approval, reviewing the same regularly and monitoring compliance • determining Prudential Indicators and Treasury Management Strategy including the Annual Investment Strategy • submitting regular treasury management policy reports • receiving and reviewing management information reports • reviewing the performance of the treasury management function and promoting best value reviews • ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function • recommending the appointment of external service providers • determining long-term capital financing and investment decisions. • The Section 151 Officer has delegated powers to determine and undertake the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments. • The Section 151 Officer may delegate their power to borrow and invest to members of his staff <p>Head of Paid Service</p> <ul style="list-style-type: none"> • ensuring the adequacy of internal audit and liaising with external audit <p>Senior Accountant</p> <ul style="list-style-type: none"> • execution of transactions • adherence to agreed policies and practices on a day to day basis • maintaining relationships with third parties and external service providers • monitoring performance on a day to day basis • submitting management information reports to the responsible officer • identifying and recommending opportunities for improved practices. • recording treasury management transactions, • reconciling treasury management transactions with the financial ledger • recording/reconciling counterparty documentation. |
| Absence cover arrangements | <p>In the absence of the Section 151 Officer, the Lead Specialist - Finance will assume their responsibilities in respect of the Treasury Management function.</p> <p>In the absence of the Specialist - Finance staff, the Lead Specialist - Finance will provide cover.</p> <p>Cover is reviewed as necessary.</p> <p>Full procedure notes are available, detailing the processes required to enable the day to day operation of the treasury management function.</p> |

Dealing

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

TMP 6: REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

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

As a minimum, the Strategy and Resources Committee will receive:

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

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

Schedule:

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| Frequency of executive reporting requirements | <p>The Section 151 Officer will annually submit budgets and will report on budget variations as appropriate.</p> <p>The Section 151 Officer will submit the Prudential Indicators and the Treasury Strategy Statement, Annual Investment Strategy and report on the projected borrowing and investment strategy and activity for the forthcoming financial year to the Strategy and Resources Committee before the start of the year.</p> <p>The Annual Treasury Report will be prepared as soon as practicable after the financial year end and, in all cases, before the end of September.</p> <p>A Mid-Year Treasury Report will be prepared by the Section 151 Officer, which will report on treasury management activities for the first part of the financial year. The Mid-Year Report will be submitted to Strategy and Resources Committee during the year.</p> |
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| Content of Reporting: | |
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| 1. Treasury Strategy Statement | <p>The Treasury Strategy will include the following:</p> <ul style="list-style-type: none"> • Link to Capital Financing Prudential Indicators for the current and ensuing three years • Strategy for financing new borrowing requirements (if any) and refinancing maturing borrowing (if any) over the next three years and for restructuring of debt • the extent to which surplus funds are earmarked for short term requirements • the investment strategy for the forthcoming year(s) (<i>see below*</i>) • the minimum to be held in short term/specified investment during the coming year • the interest rate outlook against which the treasury activities are likely to be undertaken. <p>*Based on the ODPM's (now CLG's) Guidance on Investments, the Council will produce an Annual Investment Strategy (AIS) which sets out</p> <ul style="list-style-type: none"> ▪ the objectives, policies and strategy for managing its investments; |
| 2. Annual Treasury Report | <p>The Section 151 Officer will produce an annual report for the Strategy and Resources Committee on all activities of the treasury management function (including the performance of fund managers) as soon as practicable after year end and in all cases no later than 30 September of the succeeding financial year.</p> <p>The main contents of the report will comprise :</p> <ul style="list-style-type: none"> ▪ confirmation that the Council calculated its budget requirements and set a balanced budget for the financial year; ▪ the prevailing economic environment ▪ a commentary on treasury operations for the year, including their revenue effects; ▪ commentary on the risk implications of treasury activities undertaken and the future impact on treasury activities of the Council ▪ compliance with agreed policies/practices and statutory/regulatory requirements ▪ performance measures. |
| 3. Content and frequency of management information reports | <p>The Section 151 Officer will produce a half yearly monitoring report for Strategy and Resources Committee</p> <p><i>Example</i> : This report includes details of :</p> <ul style="list-style-type: none"> • borrowing and investment activity undertaken including forward deals • performance of investments against benchmark • extent of compliance with the treasury strategy and reasons for variance (if any) |

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| 4. Scrutiny | <p>The Section 151 Officer will present the Treasury Strategy Statement to the Performance, Governance and Audit committee prior to agreement by the Strategy and Resources Committee.</p> <p>The Performance, Governance and Audit committee will have responsibility for the scrutiny of treasury management policies and practices (TMP's)</p> |
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TMP 7: BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

Principle: *The Section 151 Officer will prepare, and the Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with **TMP1 Risk management**, **TMP2 Performance measurement**, and **TMP4 Approved instruments, methods and techniques**. The form which the Council's budget will take is set out in the schedule below.*

*The Section 151 Officer will exercise effective controls over this budget and will report upon and recommend any changes required in accordance with **TMP6 Reporting requirements and management information arrangements**.*

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

Schedule:

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| Statutory/regulatory requirements | <p>Balanced Budget Requirement: The provisions of S32 and S43 of the Local Government Finance Act 1992 require this Council to calculate its budget requirement for each financial year including, among other aspects:,</p> <p>(a) the expenditure which is estimated to be incurred in the year in performing its functions and which will be charged to a revenue account and</p> <p>(b) revenue costs which flow from capital financing decisions.</p> <p>S33 of the Act requires the Council to set a council tax sufficient to meet expenditure after taking into account other sources of income.</p> |
| Proper accounting practice | CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom (the local authority code) constitutes "proper accounting practice under the terms of S21 (2) of the Local Government Act 2003". |

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| Financial Statements | <p>The Financial Statements comprise:</p> <ul style="list-style-type: none"> ▪ A Narrative Statement ▪ Accounting policies, changes in accounting estimates and errors ▪ Presentation of financial statements ▪ Movement in reserves statement ▪ Comprehensive income and expenditure statement ▪ Balance sheet ▪ Cash flow statement ▪ Collection Fund (England) ▪ Statement of Responsibilities ▪ The Accounting Statements ▪ Notes to the financial statements ▪ Statements reporting reviews of internal controls or internal financial controls ▪ Events after the reporting period ▪ Related party disclosures |
| Format of the Council's accounts | The current form of the Council's accounts is available within the Resources Service of the Council. |
| Disclosures relating to treasury management | Due regard will be given to the disclosure requirements under CIPFA's Accounting Code of Practice. |

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| Treasury-related information requirements of external auditors | <p>The following information is specifically requested by the external auditor and should be considered an initial request for information. It is usually followed by more detailed audit testing work which often requires further information and/or explanations from the Council's officers.</p> <p>Information in this context includes internally generated documents, externally generated documents, observation of treasury management practices which support and explain the operation and activities of the treasury management function.</p> <ul style="list-style-type: none"> ▪ Determination of Affordable Borrowing Limit under Section 3 of the Local Government Act 2003. ▪ Prudential Indicators. ▪ Treasury Management Strategy including Annual Investment Strategy. <p><u>External borrowing:</u></p> <ul style="list-style-type: none"> • New loans borrowed during the year : PWLB certificates / documentation in relation to market loans borrowed (including copy of agreements, schedule of commitments) • Loan maturities. • Compliance with proper accounting practice, regulations and determinations for the amortisation of premiums and discounts arising on loans restructured during the year and previous years. • Analysis of loans outstanding at year end including maturity analysis. • Analysis of borrowing between long- and short-term • Debt management and financing costs <ul style="list-style-type: none"> ▪ calculation of (i) interest paid (ii) accrued interest ▪ interest paid • MRP calculation and analysis of movement in the CFR. • Bank overdraft position. • Brokerage/commissions/transaction related costs. <p><u>Investments:</u></p> <ul style="list-style-type: none"> • Investment transactions during the year including any transaction-related costs • cash and bank balances at year end • Short-term investments at year end • Long-term investments at year end (including investments in associates and joint ventures) by asset type, including unrealised gains or losses at year end • calculation of (i) interest received (ii) accrued interest • actual interest received • External fund manager valuations including investment income schedule and movement in capital values, transaction confirmations received (if any) • Basis of valuation of investments • Evidence of existence and title to investments (e.g. Custodian's Reports) • Schedule of any investments in companies together with their latest financial statements); statement of transactions between the company and the Council. |
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| | <p><u>Cash Flow</u></p> <ul style="list-style-type: none"> ▪ Reconciliation of the movement in cash to the movement in net debt ▪ Cash inflows and outflows (in respect of long-term financing) ▪ Cash inflows and outflows (in respect of purchase/sale of long-term investments) ▪ Net increase/decrease in (i) short-term loans (ii) short-term deposits (iii) other liquid resources <p><u>Other</u></p> <p>Details of (treasury-related) material events after balance sheet date not reflected in the financial statements.</p> <ul style="list-style-type: none"> ▪ External advisors'/consultants' charges |
| Internal Audit | <p>Internal Audit generally conducts an annual review of the treasury management function and probity testing.</p> <p>The internal auditors will be given access to treasury management information/documentation as required by them.</p> |
| Compliance with CIPFA Treasury Management and Prudential Codes | <p>Auditors may require evidence/demonstration of compliance with external and internal treasury management policies and strategy.</p> <p>Any serious breach of the TM Code's recommendations or Prudential Indicators should be brought to the attention of the external auditor.</p> |
| Costs for treasury management | <p>The budget for treasury management forms part of the Financial Services budget.</p> |

TMP 8: CASH AND CASH FLOW MANAGEMENT

Principle: Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Section 151 Officer and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Section 151 Officer will ensure that these are adequate for the purposes of monitoring compliance with **TMP1 [2] liquidity risk management**. The present arrangements for preparing cash flow projections and their form are set out in the schedule below.

Schedule:

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

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

TMP 9: MONEY LAUNDERING

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

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

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

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

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

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

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

Schedule:

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|------------------------------|---|
| Anti money laundering policy | <p>This Council’s policy is to prevent, wherever possible, the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.</p> <p>The Council has accepted responsibility to ensure that those of its staff who are most likely to be exposed to money laundering can make themselves fully aware of the law and, where necessary, are suitably trained.</p> |
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| Nomination of Responsible Officer(s) | <p>(a) The Council nominates the Legal and Democratic Services Manager to be the responsible body to whom any suspicions relating to transactions involving the Council will be communicated.</p> <p>(b) The responsible officer will be conversant with the requirements of the Proceeds of Crime Act 2002 and will ensure relevant staff are appropriately trained and informed so they are alert for suspicious transactions.</p> <p>(c) The responsible officer will make arrangements to receive and manage the concerns of staff about money laundering and their suspicion of it, to make internal enquiries and to make reports, where necessary, to National Criminal Intelligence Services (NCIS).</p> |
| Procedures for establishing the Identity of Lenders and Borrowers | <p>(a) In the course of its treasury activities, the Council will only borrow from permitted sources identified in TMP 4.</p> <p>(b) The Council will not accept loans from individuals.</p> <p>(c) In the course of its treasury activities, the Council will only invest with those counterparties which are on its approved lending list.</p> <p>(d) The identity and authenticity of commercial institutions (banks, building societies and other financial institutions) authorised to carry out borrowing and lending activity in the UK will be checked via the Bank of England/ Prudential Regulation Authority's website.</p> <p>(e) All receipts/disbursements of funds will be undertaken by <u>BACS</u> or <u>CHAPS</u> settlement.</p> <p>(f) Direct Dealing mandates: The Council will provide (in the case of lending) / obtain (in the case of borrowing) and maintain on file dealing mandates with any new money market counterparty. The mandates should be on letter-headed paper, dated and signed.</p> <p>(g) All banking transactions will only be undertaken by the personnel authorised to operate the Council's banks accounts.</p> <p>(h) When receiving requests for change of payment details, due care will be exercised to ascertain the bona fide of the request and avoid potential fraud. Additional checks will be made through <u>pre-existing</u> contact details for the payee before altering payment details.</p> |

TMP 10: TRAINING AND QUALIFICATIONS

Principle: The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Section 151 Officer will recommend and implement the necessary arrangements.

The Section 151 Officer will ensure that council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and responsibilities.

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

The present arrangements are detailed in the schedule below.

Schedule:

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

TMP 11: USE OF EXTERNAL SERVICE PROVIDERS

Principle: The Council recognises that responsibility for the treasury management decisions remains with the organisation at all times. It recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangement's rests with the Section 151 Officer, and details of the current arrangements are set out in the schedule below.

Schedule:

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| Contract threshold | The Council's Financial Regulations require that a formal written contract is in place with external service providers where the contract value exceeds £50,000 over the term. The contract will clearly state the services to be provided and the terms on which they will be provided. |
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| <p>Details of service providers and procedures and frequency for tendering services</p> | <p>(a) Bankers to the Council: Nat West, Po Box 333, Silbury House 300 Silbury Boulevard , Central Milton Keynes, MK9 2ZF Tel. 0845 308 8969 Contract period : 1 April 2019 - March 2020 Formal agreement in place : yes This service will be re-tendered every 5 years</p> <p>(b) Treasury advisor Arlingclose 35 Chiswell Street London EC1Y 4SE Tel. 08448 808201 Contract period : 1 April 2018-31 March 2021 Formal agreement in place : yes This service may be re-tendered every 3 years</p> <p>(d) Brokers: It is considered good practice for the Council to have a minimum of two brokers and to spread business between them.</p> <p>Sterling Treasury BGC Partners Sterling Products 5 Churchill Place, Canary Wharf, London, E14 5HU Tel. 0207 894 7742 Formal agreement in place: no</p> <p>King & Shaxson Cutlers Court, 115 Houndsditch, London. EC3A 7BR Tel. 0207 929 8527 Formal agreement in place: no</p> <p>Tradition Beaufort House 15 St. Botolph Street, London, EC3A 7QX Tel. 0207 198 1500 Formal agreement in place: no</p> <p>(e) Trading Platforms: iDealTrade Arlingclose 35 Chiswell Street London EC1Y 4SE Formal agreement in place: no</p> <p>ICD Portal 30 Crown Place London, EC2A 4EB Formal agreement in place: no</p> |
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TMP 12: CORPORATE GOVERNANCE

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

The Council has adopted and has implemented the key recommendations of the Code. This, together with the other arrangements detailed in the schedule below, are considered vital to the achievement of proper corporate governance in treasury management, and the Section 151 Officer will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Schedule:

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| Stewardship responsibilities | The Section 151 Officer ensures that systems exist to deliver proper financial administration and control and maintaining a framework for overseeing and reviewing the treasury management function. |
| List of documents to be made available for public inspection. | <p>The following documents are freely available for public inspection:</p> <p><i>Examples</i></p> <ul style="list-style-type: none"> ▪ Annual Statement of Accounts ▪ Revenue and Capital Estimates Book ▪ Treasury Management Policy ▪ Treasury Management Strategy ▪ Budget Monitoring Reports ▪ Annual Treasury Report |
| Council's website. | Financial information is additionally available on the Council's website. |
| Procedures for consultation with stakeholders. | Members and senior officers of the Council are consulted via reports to the Strategy and Resources Committee and officer/member briefing sessions. |



REPORT of DIRECTOR RESOURCES

to
**STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

CAPITAL AND INVESTMENT STRATEGIES FOR 2021 / 22 AND MINIMUM REVENUE STATEMENT 2021 / 22

1. PURPOSE OF THE REPORT

- 1.1 The Council is required to approve an annual Capital Strategy and Investment Strategy before the start of the financial year to which they relate.

2. RECOMMENDATIONS

- (i) The Committee considers and reviews this report and the attached appendices and recommends them for approval by the Council;

To the Council:

- (ii) That the Capital Strategy (**APPENDIX 1**) be approved;
- (i) That the Capital Project Bids (**APPENDIX 2**) be approved;
- (ii) That the Investment Strategy (**APPENDIX 3**) be approved;
- (iii) That the Minimum Revenue Provision Statement (**APPENDIX 4**) be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 This report details the intended capital expenditure plans and funding arrangements and sets Prudential Indicators against which actual expenditure and borrowing should be monitored. The Capital Strategy for 2021 / 22 is at **APPENDIX 1**.
- 3.2 The Capital Project Bids is at **APPENDIX 2** as recommended by the Finance Working Group.
- 3.3 The Investment Strategy is at **APPENDIX 3**.
- 3.4 The Minimum Revenue Provision is at **APPENDIX 4**.

- 3.5 The Strategies have been compiled with the advice and support of the Council's treasury advisor, Arlingclose Ltd, with the latest available 'outlooks' and interest rate forecasts at the time the strategies were drafted in December 2020.

4. CONCLUSION

- 4.1 The Capital Strategy has been prepared considering the future plans of the Council, ensuring that they are affordable and prudent. It links with the Council's Investment Strategy.
- 4.2 The Annual Investment Strategy has been updated in line with statutory requirements and good practice. It takes into account the Council's financial position and wider strategies, plans and aims. It also draws on the advice of the Council's external treasury advisor.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Strategies and the Minimum Revenue Provision Statement support all three of the Council's strategic themes of Place, Community and Prosperity. There is a regulatory requirement for the Strategies and therefore the Council will be compliant in approving them before the start of the financial year on 1 April 2021.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None directly.
- (iii) **Impact on Risk** – Any new investment decision will be entered with suitable due diligence to ensure that any risk is mitigated.
- (iv) **Impact on Resources (financial)** – Approved Capital Project Bids impact on the Council's reserves. Investment interest received is a financial resource available to support spending on service provision.
- (v) **Impact on Resources (human)** – None directly.
- (vi) **Impact on the Environment** – None directly.

Background papers:

Economic Background and Outlook and Interest Rate Forecasts provided by Arlingclose Ltd, the Council's Treasury Management Advisors.

Enquiries to:

Lance Porteous, Lead Specialist, Finance, (email: lance.porteous@maldon.gov.uk).

Capital Strategy Report 2021/22

Maldon District Council

Introduction

This capital strategy report for 2021/22 gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these technical areas.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

Governance: Service managers bid annually in September to include projects in the Council's capital programme. Bids are collated by the finance team who calculate the financing cost (which can be nil if the project is fully externally financed). The Corporate Leadership Team (CLT) and recently formed finance working group appraise all bids based on a comparison of service priorities against financing costs and makes recommendations to Strategy and Resources committee. The final capital programme is then presented to Council in February each year.

Full details of the Council's proposed capital programme for 2021 / 22, including the project appraisals undertaken, will be presented to Council for approval 23 February 2021.

Projects that generate savings or income may be progressed in year subject to a valid Business Case and Committee Approval.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 1: Capital financing in £thousands

| | 2019/20 actual | 2020/21 forecast | 2021/22 budget | 2022/23 budget | 2023/24 budget |
|--|-------------------|---------------------|-------------------|-------------------|-------------------|
| External sources (Government Grant) | 337 | 539 | 420 | 420 | 420 |
| Own resources (Capital Receipts) | 803 | 548 | 293 | 457 | 339 |
| TOTAL | 1,140 | 1,087 | 713 | 877 | 759 |

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Table 2: Replacement of debt finance in £thousands

| | 2019/20 actual | 2020/21 forecast | 2021/22 budget | 2022/23 budget | 2023/24 budget |
|-------------------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| Own resources (Capital Receipts) | 226 | 226 | 226 | 226 | 226 |

- The Council's full minimum revenue provision statement is shown at Appendix 4.

Table 3: Estimates of Capital Financing Requirement in £thousands

| | 31.3.2020 actual | 31.3.2021 forecast | 31.3.2022 budget | 31.3.2023 budget | 31.3.2024 budget |
|-----------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|
| General Fund services | 71 | 71 | 59 | 3 | 0 |
| TOTAL CFR | 71 | 71 | 59 | 3 | 0 |

Asset management: To ensure that capital assets continue to be of long-term use, the Council is developing the 2021 / 22 asset management strategy.

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021 / 22.

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent.

Due to decisions taken in the past, the Council currently has £0m borrowing and £27m treasury investments at an average rate of 0.2%.

Borrowing strategy: The Council is currently debt free, and there is currently no intention to borrow to fund projects included in the Capital Programme. However, if any substantial commercial investment projects are considered in the future then the Council would need to borrow any large amounts of funding that may be required.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 4: Prudential Indicators: Authorised limit and operational boundary for external debt

| | 2019 / 20 limit £000 | 2020 / 21 limit £000 | 2021 / 22 limit £000 | 2022 / 23 limit £000 | 2023 / 24 limit £000 |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Authorised limit - borrowing | 16,500 | 16,500 | 16,500 | 16,500 | 16,500 |
| Operational boundary - borrowing | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |

Treasury investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to maximise investment return where satisfactory results of due diligence are found and risk mitigated, although security and liquidity are still considerations. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 5: Treasury management investments in £thousands

| | 31.3.2020 actual | 31.3.2021 forecast | 31.3.2022 budget | 31.3.2023 budget | 31.3.2024 budget |
|-------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|
| Near-term investments | 12,887 | 5,000 | 5,000 | 5,000 | 5,000 |
| Longer-term investments | 4,671 | 5,000 | 5,000 | 5,000 | 5,000 |
| TOTAL | 17,558 | 10,000 | 10,000 | 10,000 | 10,000 |

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Resources and staff, who must act in line with the treasury management strategy approved by Council. Half yearly reports on treasury management activity are presented to Overview & Scrutiny Committee. The audit committee is responsible for scrutinising treasury management decisions.

Investments for Service Purposes

The Council does not make investments to assist local public services.

Commercial Activities

The Council currently do not have any significant commercial activities for investment returns, however with the continuing pressures on external funding, and the implementation of the Future Model, consideration is being given to potential projects, which, when evaluated, will follow the governance for approval outlined on page 1 of this strategy.

Liabilities

The Council is committed to making future payments to cover its pension fund deficit (valued at £24.9m). It has also set aside £1.5 m to cover risks of Business Rates appeals, Planning appeals and Insurance claims.

Governance: Decisions on incurring new discretionary liabilities are taken by managers in consultation with the Director of Resources. The risk of liabilities crystallising and requiring payment is monitored by departments in conjunction with the finance team and are reported to committee/management as appropriate.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Prudential Indicator: Proportion of financing costs to net revenue stream

| | 2018/19 actual | 2019 / 20 forecast | 2020 / 21 budget | 2021 / 22 budget | 2022 / 23 budget |
|----------------------------------|-------------------|-----------------------|---------------------|---------------------|---------------------|
| Financing costs (£m) | - | - | - | - | - |
| Proportion of net revenue stream | % | % | % | % | % |

- The borrowing referred to in this strategy relates to proposals that are still in planning stages, therefore these haven't been included in the table above due to wider implications of potential new revenue streams that would impact on the revenue stream. This table will be updated once there is more detail on the proposed projects.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for the duration of any borrowing arrangements. The Director of Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable because for the main General Fund programme, there are existing reserves to fund the expenditure. Projects will only be progressed where they prove to generate savings or an income stream to the Council, and the Business Case will assess the risks and mitigations of the projects.

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, when recruited the Director of Resources will need to be a qualified accountant with relevant experience. The Council pays for junior staff to study towards relevant professional accounting qualifications.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisors and the Valuation Office as property advisors. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

The Council's Treasury Management policy on the use of external advisers is available on request.

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CAPITAL PROJECT BIDS 2021/22

1. SUMMARY

- 1.1 This appendix outlines the Capital projects that have been put forward by officers prior to the approval of the 2021/22 budget and updated Medium Term Financial Strategy. The projects were originally taken to the 19th November Strategy and Resources Committee where members requested that the Finance Working Group review them in detail and make recommendations to this meeting. Projects have been reviewed and re-categorised. The reasons for these changes are explained in this report.

The Council's capital programme will need to reflect the three strategic themes set out in the Council's Corporate vision of Place Community and Prosperity.

- 1.2 The 2021/22 project bids set out in the table below and detailed projects sheets can be found at **Appendix A**. The projects have been categorised by the Finance Working Group into the following two groups and shown on the first page of **Appendix A**:

- Proposed Capital Programme 2021/22: These projects are deemed as essential as failure to carry out the project is likely to have health and safety implications and/or will have fundamental impact on service provision;
- Capital Expenditure to Be Considered During 2021/22: These projects are deemed important but not as immediately urgent.

This categorisation has taken place since the meeting of the Committee on 19th November 2020.

The original detailed project bids are still included in the subsequent pages of **Appendix A**.


- 1.3 As part of the budget strategy the broad principles adopted in relation to capital are that expenditure will be financed from existing useable capital resources and not directly from revenue.
- 1.4 At the start of 2020/21 the Council had capital reserves totalling £2.3m. £0.6m is scheduled to be used to support the 2020/21 capital programme, which will leave £1.7m to support future programmes for 2021/22 and beyond.
- 1.5 The current 5-year capital programme is set out within MDC's Medium-Term Financial Strategy. In the absence of a sizeable capital receipt from a disposal of an asset, the Council will have used up its usable capital receipts within 6 years, at the rate of the capital programme suggested for 2021/22. That would mean that any capital programme extending beyond that would have to be funded from borrowing. The Council is currently debt free.

- 1.6 The Committee should note that any large capital project(s) as a result of the Commercial Strategy will be presented for consideration on a project by project business case basis under the governance arrangements for the delivery of the Commercial Strategy. The financing options of those project(s) would be included as part of the business case for the project(s).
- 1.7 It is essential that the Council's assets are maintained to ensure continued reliability and service provision either at current or improved level. To that end, repairs and renewals of Council assets are programmed into MDC's Medium-Term Financial Strategy.

| | Proposed Capital Programme 2021/22 | £000 |
|-----------------|---|------------|
| | | |
| | Project Title | 2021/22 |
| | | |
| Original Bid No | IT Service | |
| 1 | New replacement laptops - Rolling replacement programme | 47 |
| | Vehicle & Plant Replacement | |
| 2 | Parks Vehicle - Rolling replacement programme | 56 |
| | Blackwater Leisure Centre | |
| 3 | New Car park entrance and drainage works | 25 |
| 4 | Oaktree Meadow and Orchard Meadow resurfacing improvement | 35 |
| | Rivers | |
| 5 | Removal old slipway at St Lawrence | 10 |
| 6 | Burnham on crouch Houseboats berth | 120 |
| | Total Proposed Capital Programme | 293 |

CAPITAL PROJECT SHEET 16

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.

| | | | | | |
|--|--|--|--|--|--|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | Employee Laptop & Accessories Renewal Schedule | | | | |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) | Essential | | | | |
| Project Lead Officer | Lead ICT Specialist - Grant Hulley | | | | |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | Planning for the yearly renewal of laptops that are 3 or more years old. This is to maintain the hardware standards for each user at the council and to keep the council hardware up to date with the changing specifications of our hardware. | | | | |
| Project Start Date <i>(Month and year)</i> | Apr-21 | | | | |
| Project Completion Date <i>(Month and year)</i> | This would be a rolling project to keep staff laptops and hardware renewed going forward. | | | | |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | 1 FTE from current staff used to purchase and then setup new laptops. (this can be built into our laptop imaging project) | | | | |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  | | | | |


| | Capital Expense | Revenue Implications | | External Funding | |
|--------------|-----------------|----------------------|----------|------------------|-----------------|
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 47,000 | | | | |
| 2022/23 | 47,000 | | | | |
| 2024/25 | 47,000 | | | | |
| 2025/26 | 47,000 | | | | |
| TOTAL | 188,000 | 0 | 0 | 0 | 0 |

CAPITAL PROJECT SHEET

| | |
|--|---|
| Describe links to Corporate Goals Corporate goals: 1) Strengthening communities to be safe, active and healthy 2) Protecting and shaping the District 3) Creating opportunities for economic growth and prosperity | 4) Delivering good quality, cost effective and valued services |
| Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details). | With a large number of MDC employees needing to work from home, the importance of employees having laptops in good working condition has never been greater. Failure to keep these up to date would result in large amounts of important Council work not being able to be done. MDC needs to replace its laptops over a rolling 4 year period. The above costs would cover that. |
| Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc) | No |
| Are there Health & Safety implications? If so, please state | If laptops are not renewed regularly older equipment can start to become a health and safety risk in regards to aging batteries and possible user damage. |
| Is this part of a statutory obligation? If so, state how | No |
| Is the project contractually committed to in any way? If so, please describe | No |
| Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details | IT Road Map |

CAPITAL PROJECT SHEET 3

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.


| | |
|--|---|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | 2 x Replacement Parks team vehicles |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) | Essential |
| Project Lead Officer | Matt Wilson |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | Rolling replacement of ageing fleet vehicles. Vehicle most in need/identified is 2004 Transit van. Additional vehicle also required for workforce mobility and work capacity. |
| Project Start Date <i>(Month and year)</i> | Apr-21 |
| Project Completion Date <i>(Month and year)</i> | Sep-21 |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | Procurement process; additional £500 annual revenue budget for Tax, servicing, fuel etc for addition to fleet |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  |

| | Capital Expense | Revenue Implications | | External Funding | |
|----------------|-----------------|----------------------|----------|------------------|-----------------|
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 56,000 | | 500 | | |
| 2022/23 | | | 500 | | |
| 2023/24 | | | 500 | | |
| 2024/25 | | | 500 | | |
| TOTAL | 56,000 | 0 | 2,000 | 0 | 0 |

| | |
|---|---|
| <p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) <i>Strengthening communities to be safe, active and healthy</i> 2) <i>Protecting and shaping the District</i> 3) <i>Creating opportunities for economic growth and prosperity</i> 4) <i>Delivering good quality, cost effective and valued services</i></p> | <p>Protecting & shaping the district and Delivering good quality, cost effective, and valued services</p> |
| <p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p> | <p>each vehicle approximately £23,000 to purchase as new. Parks & Countryside Supervisor has identified options to potentially reduce this cost</p> |
| <p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p> | <p>No</p> |
| <p>Are there Health & Safety implications? If so, please state</p> | <p>Ageing fleet vehicles, likelihood of further mechanical breakdown.</p> |
| <p>Is this part of a statutory obligation? If so, state how</p> | <p>No</p> |
| <p>Is the project contractually committed to in any way? If so, please describe</p> | <p>No</p> |
| <p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p> | <p>Future development of Commercial activity through Parks/Grounds Maintenance services. Delivery of current GM obligations</p> |

CAPITAL PROJECT SHEET 7

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.


| | | | | | |
|--|--|--|--|--|--|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | Alterations to the car park entrance and drainage at Blackwater Leisure Centre. | | | | |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) | Essential | | | | |
| Project Lead Officer | Frank Britt | | | | |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | At the existing main entrance into the car park at Blackwater Leisure Centre there have been a number of near misses involving pedestrians and vehicles. This as down to poor visibility and the relatively narrow gateway into the car park which pedestrians also have to use as there is no dedicated pedestrian access. We propose to widen the access incorporating a dedicated pedestrian gate and to increase the visibility for vehicle entering and leaving the car park. Also included in this bid is for works to be carried out to the drainage that serves the car park as it is becoming more prone to flooding recently during inclement weather. | | | | |
| Project Start Date <i>(Month and year)</i> | Jun-21 | | | | |
| Project Completion Date <i>(Month and year)</i> | Nov-21 | | | | |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | Staff time to draw up the tender documents and carry out tender appraisal once received. There will be management time for the works phase and for agreeing the final account. Contractor costs to carry out the works following tender. | | | | |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  | | | | |

| | Capital Expense | Revenue Implications | | External Funding | |
|--------------|-----------------|----------------------|----------|------------------|-----------------|
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 25,000 | | | | |
| 2022/23 | | | | | |
| 2024/25 | | | | | |
| 2025/26 | | | | | |
| TOTAL | 25,000 | 0 | 0 | 0 | 0 |

| | |
|---|---|
| <p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) Strengthening communities to be safe, active and healthy 2) Protecting and shaping the District 3) Creating opportunities for economic growth and prosperity 4) Delivering good quality, cost effective and valued services</p> | <p>1) Strengthening communities to be safe, active and healthy</p> <p>To provide safer pedestrian and vehicular access for the community into Blackwater Leisure Centre car park. Also to alleviate the increasing problem of flooding in the car park that is affecting some of the parking bays and therefore reducing capacity for cars. These are both part of providing a good quality service and facilities for the residents of Maldon.</p> |
| <p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p> | <p>No</p> |
| <p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p> | <p>No</p> |
| <p>Are there Health & Safety implications? If so, please state</p> | <p>Increased safety for the users of the car park and leisure centre particularly pedestrians.</p> |
| <p>Is this part of a statutory obligation? If so, state how</p> | <p>No</p> |
| <p>Is the project contractually committed to in any way? If so, please describe</p> | <p>No</p> |
| <p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p> | <p>No</p> |

CAPITAL PROJECT SHEET 11


Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.

| | | | | | |
|--|---|-----------------------------|-----------------|-------------------------|------------------------|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | Oak Tree Meadow (Heybridge) & Orchard Meadow (Southminster) Play Site Safety Matting Installation | | | | |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) | Service Failure | | | | |
| Project Lead Officer | David Burnham | | | | |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | Oak Tree Meadow and Orchard Meadow both require new safety matting installed under current play equipment and in key walk way and play areas within the play site. This falls under H&S due to current surfaces having a number of defects which include surface edges and perimeter lifting, dents and corrosion to the surfaces along which subsidence in some parts. All these factors have an increased the risk of trip / fall hazards which could result in serious injury. | | | | |
| Project Start Date <i>(Month and year)</i> | Apr-21 | | | | |
| Project Completion Date <i>(Month and year)</i> | Jun-21 | | | | |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | The works will be completed via contractors | | | | |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  | | | | |
| | Capital Expense | Revenue Implications | | External Funding | |
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 35,000 | | | | |
| 2022/23 | | | | | |
| 2024/25 | | | | | |
| 2025/26 | | | | | |
| TOTAL | 35,000 | 0 | 0 | 0 | 0 |

| | |
|---|---|
| <p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) <i>Strengthening communities to be safe, active and healthy</i> 2) <i>Protecting and shaping the District</i> 3) <i>Creating opportunities for economic growth and prosperity</i> 4) <i>Delivering good quality, cost effective and valued services</i></p> | <p>Strengthening communities to be safe, active and healthy - the works are required under Health & Safety to ensure we act in a reasonable manner and that we protect the public against slips, trips and falls within our play sites.</p> |
| <p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p> | <p>No foreseen risks to the delivery of the project.</p> |
| <p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p> | <p>No</p> |
| <p>Are there Health & Safety implications? If so, please state</p> | <p>The current condition of aspects of the play site surfaces present H&S risks due to lifting edges and perimeter, diverts in the surfaces and corrosion in the surfaces. These factors heighten the risk rating for these sites.</p> |
| <p>Is this part of a statutory obligation? If so, state how</p> | <p>No</p> |
| <p>Is the project contractually committed to in any way? If so, please describe</p> | <p>No</p> |
| <p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p> | <p>No</p> |

CAPITAL PROJECT SHEET 17

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.


| | |
|--|---|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | Removal of St Lawrence (Main Road) concrete slipway into River Blackwater and replace with stepped Public Access |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) | Essential |
| Project Lead Officer | Matt Wilson |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | River Safety enhancement - Significant increase in number of complaints and concerns regarding behaviour of powered craft launching from this concrete ramp through 2020, after years of ongoing issues and criminal damage to access controls. Parish Council has requested assistance with dealing with localised ASB; local resident support in general as issues caused by non-residents; Essex Marine Police and MDC CPOs have attended site on multiple occasions in 2020; River Bailiff and Countryside & Coast Manager recommend removal of existing ramp and replace with steps for continued access for non-powered craft/residents for beach launch. (note: Powered craft can continue to launch in this general location by joining one of the sailing clubs with their own launch ramps within 100m either side of this one) |
| Project Start Date <i>(Month and year)</i> | Apr-21 |
| Project Completion Date <i>(Month and year)</i> | Sep-21 |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | Contractor for demolition, removal of material and build of replacement steps. River Bailiff/Comms support for local information and engagement. |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  |

| | Capital Expense | Revenue Implications | | External Funding | |
|--------------|-----------------|----------------------|----------|------------------|-----------------|
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 10,300 | | | | |
| 2022/23 | | | | | |
| 2023/24 | | | | | |
| 2024/25 | | | | | |
| TOTAL | 10,300 | 0 | 0 | 0 | 0 |

| | |
|---|--|
| <p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) Strengthening communities to be safe, active and healthy 2) Protecting and shaping the District 3) Creating opportunities for economic growth and prosperity 4) Delivering good quality, cost effective and valued services</p> | <p>Strengthening communities to be safe, active and healthy; Protecting & shaping the district; and Delivering good quality, cost effective, and valued services</p> |
| <p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p> | <p>No. Demolition and material removal will take place at low tide, however existing ramp is well above Mean High Water anyway.</p> |
| <p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p> | <p>No. Existing ramp is surface structure only, MDC are landowner of the foreshore and structure itself, and so no further consents required</p> |
| <p>Are there Health & Safety implications? If so, please state</p> | <p>Public access along sea wall, beach and end of Highway will need to be appropriately managed and monitored throughout works/machinery movements, however expected to be very low risk and for minimal period of time/interruption</p> |
| <p>Is this part of a statutory obligation? If so, state how</p> | <p>No</p> |
| <p>Is the project contractually committed to in any way? If so, please describe</p> | <p>No</p> |
| <p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p> | |

CAPITAL PROJECT SHEET 15

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.

| | |
|--|--|
| Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i> | Burnham on Crouch Houseboat berths |
| Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) | Commercial (C) |
| Project Lead Officer | Steven Butcher |
| Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i> | Maldon District Council owns mooring(s) at Burnham on Crouch. One of these is occupied by the Llys Helig wreck (scheduled to be removed in March 2021). The mooring is in a prime location in the heart of Burnham on Crouch town centre. Maldon District council will convert this single mooring into a 4-berth houseboat accommodation, capital investment will be required which will generate on-going revenue income for the authority. This commercial project capital request will have a return on investment (revenue income) in year 5-6 depending on monthly income from berthing fees |
| Project Start Date <i>(Month and year)</i> | Apr-21 |
| Project Completion Date <i>(Month and year)</i> | Jul-21 |
| Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i> | Project Managers: Nigel Harmer - River Bailiff Matt Wilson - Coast & Countryside coordinator Approx. 3-4 hours per week during the instillation & works |
| Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i> |  |

| | Capital Expense | Revenue Implications | | External Funding | |
|---------|-----------------|----------------------|----------|------------------|-----------------|
| | | One-off | On-going | Amount | Source of costs |
| | £ | £ | £ | £ | |
| 2021/22 | 120,000 | | -24,000 | | |
| 2022/23 | | | -24,000 | | |
| 2024/25 | | | -24,000 | | |
| 2025/26 | | | -24,000 | | |
| TOTAL | 120,000 | 0 | -96,000 | 0 | 0 |

| | |
|---|--|
| <p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) <i>Strengthening communities to be safe, active and healthy</i> 2) <i>Protecting and shaping the District</i> 3) <i>Creating opportunities for economic growth and prosperity</i> 4) <i>Delivering good quality, cost effective and valued services</i></p> | <p>Creating opportunities for economic growth and prosperity - Planning for the future - Increased income through commercialisation</p> |
| <p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p> | <p>There is a dependency on this project that the existing vessel (Llys Helig) is removed by 01/04/21. The current lease agreement specifies that the owner will be liable for missed income to MDC in the event of this not being removed in the planned timescales</p> |
| <p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p> | <p>Planning consent is required MMO licence Licence from Crouch harbour Authority</p> |
| <p>Are there Health & Safety implications? If so, please state</p> | |
| <p>Is this part of a statutory obligation? If so, state how</p> | <p>No this is not a statutory obligation</p> |
| <p>Is the project contractually committed to in any way? If so, please describe</p> | <p>No the project is not contractually committed. A new procurement process will take place for this project to be delivered</p> |
| <p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p> | <p>Commercial Strategy</p> |

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Investment Strategy Report 2021/22

Maldon District Council

Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to earn investment income (known as **commercial investments** where this is the main purpose).

Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £13m and £30m during the 2021/22 financial year.

Contribution: The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities

Further details: Full details of the Authority's policies and its plan for 2021/22 for treasury management investments are covered in a separate document, the treasury management strategy.

Capacity, Skills and Culture

Elected members and statutory officers: The team involved in investment decision making have a number of years' experience in treasury management. They attend sessions run by our treasury management advisors in relation to investments and treatment. The Treasury Management advisors are consulted on potential changes to our portfolio. Members are also provided with treasury management training, the frequency of which is dependent on requirements and changes.

Commercial deals: The Finance Specialists and Section 151 Officer are involved in projects which have a financial impact and therefore communicate with those negotiating commercial deals the principles of the prudential framework and regulatory regime.

Corporate governance: The annual strategies are reviewed by the Performance, Governance and Audit Committee before being presented to the Strategy and Resources Committee and the Council for approval.

Investment Indicators

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third-party loans. Therefore,

the potential investment risk is limited to the Council's treasury management investments which comprise call accounts, deposits, Money Market Funds and longer-dated pooled property and multi-asset funds.

Table 1: Total investment exposure in £millions

| Total investment exposure | 31.03.2020 Actual £000 | 31.03.2021 Forecast £000 | 31.03.2022 Forecast £000 |
|---------------------------------|------------------------------|--------------------------------|--------------------------------|
| Treasury management investments | £17,506 | £10,000 | £10,000 |
| TOTAL INVESTMENTS | £17,506 | £10,000 | £10,000 |
| TOTAL EXPOSURE | £17,506 | £10,000 | £10,000 |

How investments are funded: The Council's investments are funded by usable reserves and income received in advance of expenditure.

Rate of return received: This indicator shows the investment income received less the associated costs, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 2: Investment rate of return (net of all costs)

| Investments net rate of return | 2019/20 Actual | 2020/21 Forecast | 2021/22 Forecast |
|---------------------------------|-------------------|---------------------|---------------------|
| Treasury management investments | 2.2% | 0.6% | 0.6% |
| ALL INVESTMENTS | 2.2% | 0.6% | 0.6% |

There are not currently any other investment indicators, however as the Council moves towards more commercial service provision, then suitable indicators will be adopted.

Minimum Revenue Provision Statement 2021/22

Annual Minimum Revenue Provision Statement 2021/22

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.

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

The MHCLG Guidance requires the Authority to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement is an option recommended in the Guidance

For assets acquired by leases, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

Based on the Authority's latest estimate of its capital financing requirement (CFR) on 31st March 2021, the budget for MRP has been set as follows:

Replacement of debt finance in £ 000's

| | 2019/20 forecast £000's | 2020/21 budget £000's | 2021/22 budget £000's | 2022/23 budget £000's | 2023/24 budget £000's |
|---------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Own resources | 226 | 226 | 226 | 226 | 226 |

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

REVISED 2020 / 21 ESTIMATES, ORIGINAL 2021 / 22 BUDGET ESTIMATES AND COUNCIL TAX 2021 / 22

1. PURPOSE OF THE REPORT

- 1.1 To note the Provisional Local Government Finance Settlement 2021 / 22 which was announced by the Government on 17 December 2020.
- 1.2 To present to the Committee the revised 2020 / 21 and original 2021 / 22 General Fund Revenue Budget estimates for approval and recommendation to the Council on 23 February 2021.
- 1.3 To present the options for proposed level of Council Tax increase for 2021 / 22 for recommendation to the Council on 23 February 2021.
- 1.4 To present for approval and recommendation to the Council on 23 February 2021 the policy on use of reserves.

2. RECOMMENDATIONS

- (i) that the Committee notes the main details of the Provisional Local Government Finance Settlement 2021 / 22 described in section 3.4 of this report;

To the Council:

- (ii) that the following be approved:
 - (a) the Revised 2020 / 21 and Original 2021/22 General Fund Revenue Budget Estimates (**APPENDICES 1, 2 and 3**);
 - (b) an average Band D council tax of £207.40 (excluding parish precepts) (£5 increase) for 2021/22 (**APPENDIX 1**);
 - (c) policies on the designated use of financial reserves (**APPENDIX 4**);
 - (d) maintain the current policy of a minimum general fund balance of £2,600,000;

- (iii) that the Council gives due regard to the Director of Resources' (Section 151 Officer) statement on the robustness of budgets and adequacy of reserves in **APPENDIX 5**.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council no longer receives revenue support grant funding from the Government meaning that the majority of the funding for the Council's services is from income raised directly by the Authority. The main sources of funding are Council Tax, Fees and Charges and Business Rates.
- 3.2 The requirement to set a balanced budget has required stringent processes to deliver efficiencies, preserve as far as possible front-line services, retain the ability to generate income and to recognise the increasing demand for services.
- 3.3 It should be noted that, at the time of writing this report, the National Non-Domestic Rates Return (NNDR1) for 2021 / 22 was not completed and, therefore, the funding figures from Business Rates are likely to change, which will affect the contributions to / (from) balances as shown in **APPENDIX 1**.
- 3.4 **Provisional Local Government Finance Settlement 2021 / 22**

- 3.4.1 The provisional 2021 / 22 local government finance settlement was announced on 17 December 2020. The Settlement Funding Assessment is the amount of funding consisting the 50% of the Business Rates Baseline Funding Level uprated by the increase in the small business rates multiplier that is identified by the Government under the current system of 50% Business Rates Retention Scheme and adjusted for the tariff that the authority pays.

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|--------------|--------------|--------------|--------------|--------------|
| | £m | £m | £m | £m | £m |
| Settlement Funding Assessment – Maldon | 1.601 | 1.474 | 1.508 | 1.532 | 1.532 |
| of which: | | | | | |
| Revenue Support Grant | 0.169 | 0 | 0 | 0 | 0 |
| Business Rates Baseline Funding under 50% Business Rates Retention (BRR) | 1.432 | 1.474 | 1.508 | 1.532 | 1.532 |
| Annual % Change | -18.5% | -7.9% | 2.3% | 1.6% | 0.0% |
| Cumulative % Change | -18.5% | -25.0% | -23.2% | -22.0% | -22.0% |

- 3.4.2 The Government each year also calculates an amount called the 'Core Spending Power' for each local authority which is an estimate of the amount of funding available to each authority to spend on their core services. It is made up of estimated Council Tax and Business Rates income, Revenue Support Grant and New Homes Bonus plus a number of government grants (excluding those for education and policing).

| CORE SPENDING POWER | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|
| Please select authority | | | | | | | |
| Maldon | | | | | | | |
| Illustrative Core Spending Power of Local Government: | | | | | | | |
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | £ millions | £ millions | £ millions | £ millions | £ millions | £ millions | £ millions |
| Settlement Funding Assessment | 2.4 | 2.0 | 1.6 | 1.5 | 1.5 | 1.5 | 1.5 |
| Compensation for under-indexing the business rates multiplier | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| Council Tax Requirement excluding parish precepts | 4.1 | 4.3 | 4.5 | 4.7 | 4.8 | 5.1 | 5.3 |
| Improved Better Care Fund | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| New Homes Bonus | 0.6 | 0.8 | 0.8 | 0.7 | 0.8 | 0.9 | 0.9 |
| New Homes Bonus returned funding | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rural Services Delivery Grant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transition Grant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Adult Social Care Support Grant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Winter Pressures Grant ¹ | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Social Care Support Grant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Social Care Grant ² | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Lower Tier Services Grant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Core Spending Power | 7.2 | 7.1 | 7.0 | 6.9 | 7.3 | 7.6 | 7.9 |
| Change since 2015-16 (£ millions) | | | | | | | 0.7 |
| Change since 2015-16 (% change) | | | | | | | 10% |

Source: Provisional Local Government Finance Settlement 2021 to 2022 published by MHCLG 17/12/2020

- 3.4.3 It can be seen from the above illustrative table that, in the Government's view, the total Core Spending Power includes the potential additional Council Tax from the £5 referendum principle for all Districts. The Council did increase its Council Tax by £5 in 2017 / 18, the first year that the Government introduced the £5 into the referendum principle in acceptance and recognition of the financial pressures that district councils have been experiencing.

| Key Information for Local Authorities (£m) | | | | | | |
|--|---------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Select local authority by clicking on the box below and using the drop-down button | | | | | | |
| Maldon | | | | | | |
| | 2016-17 | 2017-18 ¹ | 2018-19 ¹ | 2019-20 ¹ | 2020-21 ¹ | 2021-22 ¹ |
| Settlement Funding Assessment | 2.0 | 1.6 | 1.5 | 1.5 | 1.5 | 1.5 |
| of which: | | | | | | |
| Revenue Support Grant | 0.6 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Baseline Funding Level | 1.4 | 1.4 | 1.5 | 1.5 | 1.5 | 1.5 |
| Tariff/Top-Up ² | -3.8 | -3.6 | -3.7 | -3.8 | -3.9 | -3.9 |
| 2017-18 Tariff and Top-up reconciliation | | | 0.0 | | | |
| Safety Net Threshold | 1.3 | 1.3 | 1.4 | 1.4 | 1.4 | 1.4 |
| Levy Rate | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |

Source: Provisional Local Government Finance Settlement 2021 to 2022 published by MHCLG 17/12/2020

- 3.4.4 For 2021 / 22, government funding consists of the Business Rates Baseline funding, New Homes Bonus and the Rural Services Delivery Grant
- 3.4.5 The New Homes Bonus (NHB) Scheme was introduced in 2011 / 12 to encourage local authorities to facilitate housing growth. For every additional property built or empty property brought back into use, the government match funds the additional council tax, with an additional amount for affordable homes.
- 3.4.6 There have been changes to the scheme over the years such as:
- the payments have reduced from six years to four years,
 - the introduction of an annual baseline housing growth of 0.4% below which no NHB would be payable;

- from 2020 / 21 the government will no longer pay NHB legacy payments relating to 2020 / 21.
- 3.4.7 For 2021 / 22 the government has increased the Rural Services Delivery Grant to £85 million and the Council's allocation to £32,339, up £1,521 from 2020 / 21.
- 3.4.8 Finally, the Council's allocation for the provisional Homelessness Prevention Grant for 2021 / 22 is £142,320. This is in addition to any further allocations that maybe announced for the Flexible Housing Support Grant, and the Homelessness Reduction Grant in future.
- 3.5 Revised General Fund Revenue Budget Estimates 2020 / 21**
- 3.5.1 The original 2020 / 21 budget estimates showed a total of £872,000 contribution from the General Fund Balances. The revised estimate shows a contribution of £1,577,000 from the General Fund Balances. This is a reduction in the General Fund Balances of £705,000. This mainly comes from a £759,000 impact due to Covid-19 (net of Government support) less a net £54,000 in non-Covid related underspends.
- 3.5.2 It is worth pointing out that £133,000 of the gross Covid-19 pressures came from savings unachieved in 2019 / 20 that were still included in the budget. Savings initiatives were unable to identified in the current economic climate to offset these and therefore this pressure has been carried forward into 2021 / 22.
- 3.5.3 The Council continues to receive additional income from growth above the baseline in local business rates and pooling arrangements within the Essex Region Business Rates Pool. The final benefits from being in the pool will not be known until the year end.
- 3.5.4 £61,000 has been drawn down from the Local Development Plan (LDP) Reserve, £26,000 from repairs and renewals reserve, and £521,100 from the Revenue Commitments Reserve during the year; these have been built into the revised core budget for 2020 / 21 only.
- 3.6 Original General Fund Revenue Budget Estimates 2021 / 22**
- 3.6.1 The proposed 2021 / 22 net operating expenditure budget after adjusting for statutory adjustments, but before any non-service specific funding and use of reserves totals £7.907m and is therefore £1.725m (17.91%) lower than 2020 / 21 (£9.632m).
- 3.6.2 There are additional growth pressures such as an increase for inflation of £325,000, including:
- a 2% increase on pay budgets,
 - net incremental salary grade pressures,
 - 1.3% and 0.7% increases for Retail Price Index (RPI) and Consumer Price Index (CPI) indexed expenditure in October 2020,
- 3.6.3 It needs to be recognised that, since the decision to implement the Future Council model, the environment that the Council operates in has and will continue to change and move on. As such, the savings that were projected from the Future Model implementation whilst being largely achieved will be diluted or eroded in the future as

additional cost pressures are being accommodated without continually replenishing those savings with new savings. The measure for the savings of £1.89m by 2022 / 23 from the Future Council Model is the 2018 / 19 budget, however the economic environment since then has made these targets unachievable and new savings will need to be considered.

- 3.6.4 Due to a favourable provisional local government settlement, it is estimated that in 2021 / 22 there will be a net contribution to General Fund balances of £31,000.
- 3.6.5 The Council Tax increase is considered in Section 3.15. Proposals for the usage of earmarked reserves are discussed in more detail in Section 3.16.
- 3.6.6 2021 / 22 Budgets have initially been built up as follows:
- Embedded New Council Structure;
 - Inflation assumptions on existing contracts, (2% for pay), contractual inflation on goods and services based upon CPI or RPI dependent of terms within contracts;
 - Reflecting the expected income from fees and charges and grant income;
 - Implications of statutory and contractual changes, non-inflation cost pressures;
 - Growth, as discussed later in this report.

3.7 Budget Growth, Savings and Income Generation in 2021 / 22

- 3.7.1 On 19 November 2020, this Committee and subsequent Finance Working Group (FWG) considered a report on the budget growth and savings for 2021 / 22. These proposals have been built into the core 2021 / 22 budget after recommendations from the Finance Working Group for approval at this Committee meeting. The estimates currently stand at £1.094m for growth; £0.149m in additional income.
- 3.7.2 Furthermore, the Committee and FWG considered non-recurring growth in 2021 / 22 in relation to repairs and renewals of Council assets, which would not form part of the capital programme, totalling £0.128m.
- 3.7.3 Following a meeting of Finance Lead members from across Essex, which was hosted by the Finance Cabinet Member at Essex County Council, it has been agreed that Local Council Tax Sharing Agreement will continue for the foreseeable future, along with the performance targets. For 2021 / 22 the Council has budgeted the benefit at £124,300. This is down £82,700 from the £207,000 budgeted in the current year due the difficulty in collecting Council Tax in the current economic environment.

3.8 New Homes Bonus (NHB)

- 3.8.1 NHB is not ring-fenced, therefore, it can be used by the Council for whatever purpose it wishes. The government has stated that the NHB scheme in its current form will cease and 2020 / 21 will be the last year, as it wants to incentivise and reward local authorities to increase housing growth in a different way. Due to the uncertainty on the future of the NHB, the Council in 2018 / 19 took action to stop its reliance on the whole of the annual NHB allocation to support the General Fund Revenue

expenditure and thus the council tax by using just the legacy payments from previous years. The plan was to phase out wholly any reliance on the NHB to support the council tax. Legacy payments are payable for four years; therefore the income will progressively reduce to zero by 2023 / 24. Helpfully, a further £511,839 has been announced in the provisional local government settlement on top of the legacy payment due of £418,142. This means the amount in 2021 / 22 to support the general fund revenue expenditure is £929,981 (£251,512 in 2020 / 21).

3.9 Future Council Model

- 3.9.1 The Future Council model identified £739,000 of savings in 2020 / 21. This is made up of salary savings of £400,000 through the new staffing structure and in total £339,000 through non-staff efficiencies, strategy-based reductions and new net revenue streams from commercial projects / activities. These are included in the 2021 / 22 budget but the unachieved savings from 2019 / 20 of £133,000 have now been removed from the 2021 / 22 budget.

3.10 Pension Fund Deficit Recovery

- 3.10.1 The Pension Fund Triennial Valuation 2019 was concluded and the results at that time showed that the deficit on the Council's element of the overall Fund in respect of assets and liabilities had reduced from £8.181m to £5.318m with the funding level improving from 81.7% to 90.2%. The deficit recovery period has reduced from 15 years to 12 years. The primary employer's contribution rate has increased from 15.9% to 19.9% of pensionable pay from the current financial year. The Council chose to pay the triennial deficits up front so a payment of £1.556m was paid this financial year using the General Fund Reserves / Balance, then making a £0.520m contribution in each of the year's 2021 / 22 and 2022 / 23 be transferred to the Pension Reserve in the earmarked reserves in readiness for the next Triennial Valuation in 2023 / 24 to mitigate the impact of the deficit recovery payment at the time.

3.11 Funding for work on Bradwell B (BRB) Power Station and Community Infrastructure Levy (CIL)

- 3.11.1 The Council is engaged in the work with the BRB Partnership in respect of the Development Consent Order. In order to be so engaged BRB has funded the Council in 2020 / 21 and will continue to do so up until December 2021. The amount of funding for the last nine months of 2020 / 21 and the first nine months of 2021 / 22 is a maximum of £1.4m being split between 2020 / 21 and 2021 / 22. This is claimed quarterly against expenditure incurred. The Council's involvement in the BRB project therefore will be at nil net cost to it up to December 2021, so no budget is reflected. The current budget of £0.036m against BRB is a carry forward from the previous funding agreement.

3.12 Essex Region Business Rates Pool

- 3.12.1 As agreed by the Council in October 2015, the Council joined the Essex Region Business Rates Pool in April 2016. The Pool will continue to operate in 2021 / 22 and the Council will continue to benefit by being in the Pool.

3.13 Interest on Investments

- 3.13.1 Interest from investment income is an integral part of the budget considerations. Bank of England base rate decreased in March 2020 to 0.1%. The 2021 / 22 budget estimate for investment interest income in 2021 / 22 is £133,000 at an average investment balance of £21m during the year at a rate of 0.6%

3.14 Council Tax

- 3.14.1 The Council Tax referendum threshold set by the Secretary of State for 2021 / 22 was announced as part of the Provisional Settlement; and for Maldon, the threshold has been set at 2% increase over 2019 / 20 or £5 whichever is the greater. Any Council proposing increases more than the threshold faces the substantial cost of conducting a local referendum and, if it results in a 'No' vote, the rebilling cost as well.
- 3.14.2 In view of the fact that the Government, in calculating the core spending power for each council, assumes they will have taken the benefit of the £5 increase (see table in paragraph 3.4.2) it is important that the Council considers the option of the £5 increase for 2021 / 22.

| Options for Increase in Council Tax from 2020 / 21 to 2021 / 22 | Increase on 2020 / 21 Band D Council Tax of £202.40 | | Additional Income Band D |
|---|---|------------|--------------------------|
| Tax Base = 24,959.9 | 0.00% | £5.00 | |
| Band D Council Tax 2021/22 | £202.40 | £207.40 | £5.00 |
| Maldon District Council: Council Tax | £5,051,634 | £5,176,434 | £124,800 |

- 3.14.3 Increasing the council tax by £5 to £207.40 instead of a Council Tax freeze of 0% (£0) to £202.40 would raise an additional income of £124,800 in 2021/22 thus reducing the requirement from General Fund Balances by that amount to support the General Fund net expenditure.
- 3.14.4 A £5 increase would represent a 2.47% increase on 2020/21 Council Tax. Every 1% increase in Council Tax will bring in an additional £50,491.
- 3.14.5 The Council's net expenditure budget (excluding parish precepts but after service specific funding and contribution from reserves) for 2021 / 22 is £8,140,300. This is matched by the estimated total resources with the Band D council tax at £207.40 i.e. £5 increase on 2020 / 21 (**APPENDIX 1**).
- 3.14.6 The tax base to be used for setting the 2021 / 22 Council Tax was agreed by the Council at its meeting on 17 December 2020. The tax base is 24,959.9 "Band D equivalent" properties, after allowing for a non-collection rate of 3.0%. This tax base is now fixed for the purposes of setting the 2021/22 Council Tax.
- 3.14.7 In terms of the estimated (surplus) / deficit on the Collection Fund as at 31 March 2020, Maldon District Council's share of the net surplus, which was used to reduce our Council Tax, was £35,897 comprised of a surplus distribution on Council Tax of £174,733 and a deficit distribution on Business Rates of £138,836. We are still awaiting the 2021 Business Rates pooling results which will be finalised at the end of the year.

3.14.8 In accordance with the legislation under the Local Government Finance Act 1992, all parish precepts must be charged to the Council's General Fund. At the time of writing this report not all parish precepts had been received. It is envisaged that all the parish precepts will be reported at the Council meeting on 23 February 2020 for Council Tax setting purposes.

3.15 Council Tax £5 increase on 2020 / 21 Band D Basic amount of £202.40

3.15.1 The Budget estimates have been constructed on the basis that the Council is proposing to increase council tax by £5.00 which is within the referendum threshold for 2021 / 22. This represents a prudent approach having regard to the balance of the risks and opportunities facing the Council in future years; in the context of its underlying financial base with subsequent increases to be reviewed each year in the light of emerging risks. The budget for 2021 / 22 is balanced, however, there are some uncertainties still facing local government finance. The move from the 50% Business Rates Retention to 75% Business Rates Retention system is on hold and it is not known when or whether it will be implemented. Any change to the Business Rates retention system will, most likely result in a reset of the Business Rates Baseline, which it is expected will remove the growth that has been achieved since the system was introduced. This would most certainly take away resources from this Council. However, it is not possible to predict what the exact impact would be without knowing the details of the new system. There is also the uncertainty around the ongoing impact of Covid-19. The pandemic has created challenges for financial forecasting, due to the uncertainty involved. Possible impacts are covered in more detail in paragraph 3.18.5.

3.15.2 Council Tax increases become part of the overall financial base of the Council. The proposed £5 increase in Council Tax will generate an additional £124,800 of income in 2021 / 22. If this increase was not approved for 2021 / 22 then the gap in future years widens and any necessary Council Tax increase would then be greater.

3.16 General Fund Balance and Revenue Reserves

3.16.1 Detailed policy information for each earmarked revenue reserve and anticipated balances is set out in **APPENDIX 4**.

3.16.2 Based on the latest risk assessment it is considered that the Council maintains the approved minimum working balance level from £2.6m this will be regularly reviewed in the light of changing circumstances.

3.16.3 A summary of the proposed use of reserves is summarised in the table overleaf and is based on a budget projection that includes aspects such as inflation and a number of priority and statutory growth pressures offset by savings identified. The overall aim is to ensure that reserves do not fall below £2.6m and the current projections keep within this target.

3.16.4

| The Balances Movement (taking into account estimated use in 2020/21) | Revised 2020 / 21 | 2021 / 22 |
|--|----------------------|--------------|
| | £0 | £0 |
| Balance brought forward | | |
| General Fund Reserves | 5,481 | 3,904 |
| Earmarked Reserves | 4,151 | 4,003 |
| Total | 9,632 | 7,907 |
| Projected Movement | | |
| General Fund Reserves | -1,577 | 31 |
| Earmarked Reserves | -148 | -273 |
| Total | -1,725 | -242 |
| Balance carried forward | | |
| General Fund Reserves | 3,904 | 3,935 |
| Earmarked Reserves | 4,003 | 3,730 |
| Total | 7,907 | 7,665 |

s Reserve (NHB) has been building up from unutilised payments and legacy payments received since 2018 / 19. The balance as at 31/03/21 will be £1,284,437. £793,000 of this will be utilised during 2021 / 22 to fund the proposed growth bids for Local Development Scheme 2020 - 2022 and Local Development Plan Review. Therefore, the NHB reserve balance will be £491,437 as at 31/03/22. The government has announced a consultation on the future of the NHB in 2021 / 22.

3.16.5 In setting budgets and projections for individual years, it is important that the Council is not reliant on the use of reserves to support revenue expenditure thus creating an unsustainable future. Therefore, the use of these reserves is for one-off expenditure and not to fund ongoing revenue costs and should be replenished where required over time.

3.17 Medium Term Financial Strategy (MTFS)

3.17.1 The MTFS is currently also being reported to the Strategy and Resources Committee and will be presented to the Council on 23 February 2020 for consideration at the same time as the suite of financial reports for 2021 / 22.

3.18 View on Risks

3.18.1 Risks to the Council's financial position could derive potentially from budget overspend, loss of investment income, contractual / legislative failure, shortfall in forecast business rates growth or challenge and emergency events. Historically, the Council's outturn has been within budget and investment income has been above budget; therefore, this is not seen as a high risk to the Council and it is not necessary to make additional significant provision. However, robust budget management, monitoring and reporting will be a key discipline for all budget managers and ensuring that savings and income levels included in the budget are achieved, will be a key focus.

- 3.18.2 The level of risk posed by contractual or legislative failure and emergency events is difficult to predict, but it would be a low probability with a potentially high impact. However, it is not appropriate to set aside large amounts of reserve against the possibility of this happening and that appropriate bond / Parent Company Guarantee have been built into large contracts.
- 3.18.3 It is important to recognise that with the introduction of the Business Rates Retention, there is a considerable degree of uncertainty in the forecast for business rates growth as much of it depends on external factors including the impact of successful appeals. The Council's own economic development policies can have an impact on business rates growth and therefore it is important that the planning services, economic development services and the business rates service have a co-ordinated approach to inward investment policies. It is important to ensure a high level of growth in the District, as any empty properties create a risk on the level of Business Rates income the Council will receive.
- 3.18.4 The UK left the European Union (EU) transition period on 31 December 2020. Whilst a deal was agreed between the UK and the EU, the impacts are still largely unknown. Officers will continue to monitor the situation to ensure that any developments are picked up as soon as possible.
- 3.18.5 The impact of Coronavirus will continue in future years and assumptions have been made regarding what this might be although (due to the uncertainty) excluded from the Council's budgets.

Table 3 – Risks from COVID-19 in Future Years

| Risk Areas | Possible Monetary Impacts | | | Assumptions |
|-------------------------------|---------------------------|-----------------|-----------------|--|
| | 2021/22 £000 | 2022/23 £000 | 2023/24 £000 | |
| Leisure Centre Management Fee | 486 | 414 | 222 | No management fee in 2021 / 22, £72,000 the next year and £264,000 the year after. |
| Town Centre Car Parking | 225 | 225 | 225 | A sustained reduction of 25% in demand due to changing habits. |
| Splash Park and Beach Huts | 146 | 0 | 0 | Matches 2020 / 21 in 2021 / 22 then returns to pre-COVID levels. |
| Income from Other Events | 96 | 0 | 0 | Matches 2020 / 21 in 2021 / 22 then returns to pre-COVID levels. |
| Council Tax Sharing Agreement | 69 | 69 | 35 | Council tax collections remains at 2020 / 21 forecast levels and starts to recover in 2023 / 24. |
| Total | 1,022 | 708 | 482 | |

- 3.18.6 The Government has promised to extend the Income Compensation scheme for the first quarter of 2021 / 22 but it is unclear what additional support may be provided by the Government beyond that. We have not budgeted for the above risks as there is too much uncertainty around the UK getting on top of the coronavirus.

3.18.7 However, in the provisional local government settlement the following two grants were announced which we propose to keep aside as a Covid-19 contingency:

- Covid 19 Funding, £306,149;
- Lower Tier Services Grant, £65,264.

3.18.8 Section 25 of the 2003 Local Government Act requires the Director of Resources to make a formal report to the Council on the robustness of the budget and adequacy of reserves (**APPENDIX 5**).

4. CONCLUSIONS

4.1 After including all items within the financial projections, general fund and earmarked reserves at the start of 2021 / 22 are expected to be £7.907m with all known movements considered. The government has set the referendum threshold for the increase in the average band D council tax in 2021 / 22 for district councils at 1.99% or £5 whichever is the greater. Due to the unknown impact of future changes to Local Government finance, it is proposed that the Council should take the opportunity to increase its financial base by increasing the average band D council tax by £5, the maximum allowed for by the government before a referendum is required.

5. IMPACT ON STRATEGIC THEMES

5.1 This report sets out the resources that are and will be available to the Council in 2021 / 22 to meet the outcomes set out in the three strategic themes of Place, Community and Prosperity.

6. IMPLICATIONS

- Impact on Customers** – The budget process ensures that changes in service delivery resulting in budget changes are reviewed by Officers and Members so that any impact can be considered. In 2021 / 22, only essential budget growth has been considered.
- Impact on Equalities** – The budget affects all residents in the District, it is not considered that the growth bids for 2021 / 22 individually impact negatively on an individual user group.
- Impact on Risk** – The distribution of resources reflected in the revenue and capital budgets is designed to support the Authority's approach to risk management (i.e. to reduce all major corporate risks to a level within approved tolerances through the implementation of approved mitigation plans).
- Impact on Resources (financial)** – This report details the impact on financial resources.
- Impact on Resources (human)** – The budget includes a pay inflationary increase.

(vi) **Impact on the Environment** – None directly.

Background papers: None.

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Council Tax Summary 2021 / 22

| REVENUE ESTIMATES SUMMARY 2021/22 | | | | | |
|---|---|------------------|------------------|------------------|------------------|
| | | Original | Revised | Original | |
| | | 2020/21 | 2020/21 | 2021/22 | |
| | | Original | Revised | Original | |
| Directorates | | £000 | £000 | £000 | |
| | Resources | 3,082 | 3,699 | 3,496 | |
| | Service Delivery | 5,754 | 5,804 | 6,619 | |
| | Strategy Performance and Governance | 1,343 | 1,390 | 1,780 | |
| | Corporate & Democratic | 492 | 490 | 0 | |
| | Customer & Communities | 181 | 336 | 0 | |
| | Planning & Licensing | (909) | (401) | 0 | |
| Net Cost of Services | | 9,944 | 11,319 | 11,895 | |
| | Interest on Investments | (283) | (211) | (133) | |
| | Pension Interest Cost / Expected return on Assets (net) | 622 | 380 | 0 | |
| Net Operating Expenditure | | 10,283 | 11,488 | 11,762 | |
| Appropriations & Adjustments | | | | | |
| | Impact of forward pension deficit funding | 1,556 | 1,556 | 0 | |
| | Statutory Adjustments | (2,292) | (2,313) | (2,330) | |
| | Govt Direct Grants | | | | |
| | - New Homes Bonus | (897) | 0 | (930) | |
| | - Other Direct Grants | (31) | 0 | (120) | |
| | Levy Redistribution | 0 | 0 | 0 | |
| | To/(From) Earmarked Revenue Reserves | 504 | 122 | (273) | |
| | To/(From) Balances | (872) | (1,614) | 31 | |
| Expenditure to be Funded | | 8,252 | 9,239 | 8,140 | |
| | | | | | |
| | | 2020/2021 | | 2021/2022 | |
| | Property Tax Base (Band D equivalent) | 25,090.8 | | 24,959.1 | |
| | Council Tax Charges | Charge @ | Total | Charge @ | Total |
| | | Band D | Cost | Band D | Cost |
| | | | | | |
| | | £ : p | £ | £ : p | £ |
| | Revenue Expenditure to be Funded | 328.89 | 8,252,125 | 326.15 | 8,140,300 |
| | Revenue Support Grant | 0.00 | 0 | 0.00 | 0 |
| | Business Rates Retention | | | | |
| | - Renewable Energy | (29.74) | (746,164) | (29.80) | (743,687) |
| | - Base Line Funding | (61.08) | (1,532,486) | (61.40) | (1,532,486) |
| | - Business Growth Retention | (58.73) | (1,473,535) | (43.01) | (1,073,514) |
| | - Levy on Business Rates Growth net to Essex County Council (ECC) Pool | 24.48 | 614,253 | 15.47 | 386,000 |
| | - Non-Domestic Rates (NDR) Collection Fund Adjustment (Surplus)/Deficit | 5.54 | 138,918 | 0.00 | 0 |
| | Council Tax Collection Fund Adj. (Surplus)/Deficit | (6.96) | (174,733) | 0.00 | 0 |
| | Maldon District Council Charge | 202.40 | 5,078,378 | 207.40 | 5,176,614 |

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ORIGINAL 20/21 Top
REVISED 20/21 Bottom (GREEN)

| REVISED 20/21 Bottom (GREEN) | | Direct Costs | | | | Recharges | | Income | | | | |
|---|------------------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|-----------------|
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | Net Budget £ |
| Service Management & Support | | | | | | | | | | | | |
| 172 | Strategy, Performance & Governance | 1,319,800 | 4,400 | 10,700 | | 0 | | | | | | 1,334,900 |
| | | 1,366,900 | 4,400 | 10,700 | 0 | 8,200 | | | 0 | 0 | 0 | 1,390,200 |
| 171 | Resources | 2,174,300 | | 21,900 | | 102,900 | | | | | | 2,299,100 |
| | | 2,189,000 | 200 | 26,300 | 0 | 102,500 | | | 0 | 0 | 0 | 2,318,000 |
| 170 | Service Delivery | 5,564,700 | 2,200 | 31,000 | | 156,300 | | | | | | 5,754,200 |
| | | 5,601,500 | 10,300 | 37,200 | 0 | 155,300 | | | 0 | 0 | 0 | 5,804,300 |
| 101 | Corporate Core | 0 | 500 | 3,400 | | | | | | | 0 | 3,900 |
| | | 0 | 0 | 1,900 | 0 | 0 | | | 0 | 0 | 0 | 1,900 |
| 102 | Election Services | 0 | 0 | 1,000 | | | | | | | | 1,000 |
| | | 0 | 0 | 200 | 0 | 0 | | | 0 | 0 | 0 | 200 |
| 103 | Policy & Comms | 0 | 0 | 13,700 | 0 | | | | | | 0 | 13,700 |
| | | 0 | 0 | 3,100 | 0 | 0 | | | 0 | 0 | 0 | 3,100 |
| 104 | Training | | | 61,100 | | | | | | | 0 | 61,100 |
| | | 0 | 0 | 97,900 | 0 | 0 | | | 0 | 0 | 0 | 97,900 |
| 105 | Human Resources | 0 | 0 | 20,500 | | | | | | | | 20,500 |
| | | 0 | 0 | 24,800 | 0 | 0 | | | 0 | 0 | 0 | 24,800 |
| 106 | Apprentices | 18,000 | | 0 | | | | | | | | 18,000 |
| | | 18,000 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 18,000 |
| 108 | Committee Services | 0 | 0 | 18,900 | | | | | (10,000) | | | 8,900 |
| | | 0 | 0 | 30,000 | 0 | 0 | | | 0 | (10,000) | 0 | 20,000 |
| 109 | General Office Support | 0 | 0 | 200 | 0 | | | | | | | 200 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 110 | Customer Services | 0 | 0 | 16,100 | 0 | | | | | (30,400) | | (14,300) |
| | | 0 | 0 | 16,500 | 0 | 0 | | | 0 | (54,800) | 0 | (38,300) |
| 111 | Internal Audit & Perf. Review | 0 | 0 | 70,400 | | | | | | | 0 | 70,400 |
| | | 0 | 0 | 72,400 | 0 | 0 | | | 0 | 0 | 0 | 72,400 |
| 113 | Finance | 0 | 0 | 38,800 | 0 | | | | | | 0 | 38,800 |
| | | 5,000 | 0 | 34,800 | 0 | 0 | | | 0 | 0 | 0 | 39,800 |
| 114 | Revenues & Benefits | 0 | 0 | 104,000 | 0 | | | | | (309,700) | | (205,700) |
| | | 0 | 0 | 308,800 | 0 | 0 | | | 0 | (310,000) | (13,700) | (14,900) |
| 118 | Leisure & Community | 0 | 600 | 64,500 | 0 | | | | | (9,000) | | 56,100 |
| | | 0 | 200 | 65,700 | 0 | 0 | | | 0 | (9,000) | 0 | 56,900 |
| 119 | IT Services | 0 | 0 | 525,700 | 161,100 | | | | | | | 686,800 |
| | | 0 | 0 | 527,200 | 161,100 | 0 | | | 0 | 0 | 0 | 688,300 |
| 121 | Council Offices | 400 | 0 | 283,100 | 94,900 | (299,900) | | | | (70,200) | | 8,300 |
| | | 400 | 0 | 259,100 | 94,900 | | | | 0 | (48,000) | 0 | 306,400 |
| 124 | Princes Rd Depot | | | 15,700 | 3,100 | | | | | | | 18,800 |
| | | 0 | 0 | 17,000 | 3,100 | | | | 0 | (2,200) | 0 | 17,900 |
| 129 | Legal | | | 0 | 0 | | | | | | | 0 |
| | | | | 26,400 | | | | | | | 0 | 26,400 |
| 132 | Environmental Health | 0 | 0 | 10,200 | | | | | | | 0 | 10,200 |
| | | 0 | 0 | 44,100 | 0 | 0 | | | 0 | 0 | 0 | 44,100 |
| 133 | Environmental Waste | 0 | 0 | 1,400 | | | | | | | 0 | 1,400 |
| | | 0 | 0 | 1,500 | 0 | 0 | | | 0 | 0 | 0 | 1,500 |
| 134 | Housing | 0 | 0 | 11,700 | | | | | | | 0 | 11,700 |
| | | 0 | 0 | 6,900 | 0 | 0 | | | 0 | 0 | 0 | 6,900 |
| 141 | Parks & Countryside Services | 72,100 | 54,000 | 110,300 | 27,300 | 0 | | | (29,300) | (60,700) | 0 | 173,700 |
| | | 71,400 | 47,400 | 114,200 | 27,300 | 0 | 0 | 0 | (46,400) | (77,100) | 0 | 136,800 |
| 149 | Nursery | | | 0 | 400 | | | | | | | 400 |
| | | 0 | 0 | 0 | 400 | 0 | | | 0 | 0 | 0 | 400 |
| 153 | Parks Rangers | 0 | 8,100 | 6,900 | 2,000 | | | | | (85,000) | | (68,000) |
| | | 400 | 7,400 | 11,100 | 2,000 | 0 | | | 0 | (92,800) | 0 | (71,900) |
| 155 | Prom Depot | | | 10,400 | 3,600 | | | | | (2,500) | | 11,500 |
| | | 0 | 0 | 11,900 | 3,600 | | | | 0 | (2,500) | 0 | 13,000 |

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| ORIGINAL 20/21 Top REVISED 20/21 Bottom (GREEN) | | Direct Costs | | | | | | | | | | |
|--|---------------------------------|------------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|--------------------|
| Cost Centre | Description | Direct Costs | | | | Recharges | | | Income | | | Net Budget |
| | | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | |
| 163 | Enforcement | 0 | 0 | 5,600 | | | | | | | 0 | 5,600 |
| | | 0 | 0 | 6,100 | 0 | 0 | | | 0 | 0 | 0 | 6,100 |
| 164 | Economic Development | 0 | 0 | 400 | | | | | | | | 400 |
| | | 0 | 0 | 500 | 0 | 0 | | | 0 | 0 | 0 | 500 |
| 165 | Planning Policy Services | 0 | 0 | 3,000 | | | | | | | | 3,000 |
| | | 0 | 0 | 2,800 | 0 | 0 | | | 0 | 0 | 0 | 2,800 |
| 166 | Planning Admin Services | 0 | 0 | 26,100 | | | | | | | | 26,100 |
| | | 0 | 0 | 23,200 | 0 | 0 | | | 0 | 0 | 0 | 23,200 |
| 167 | Development Control Services | 0 | 0 | 11,400 | | | | | | | 0 | 11,400 |
| | | 0 | 0 | 11,300 | 0 | 0 | | | 0 | 0 | 0 | 11,300 |
| 168 | Building Control Services | 0 | 5,500 | 4,300 | | | | | | | | 9,800 |
| | | 0 | 5,500 | 4,400 | 0 | 0 | | | 0 | 0 | 0 | 9,900 |
| TOTAL Service Management & Support Services | | 9,149,300 | 75,300 | 1,502,400 | 292,400 | (40,700) | 0 | 0 | (39,300) | (567,500) | 0 | 10,371,900 |
| | | 9,252,600 | 75,400 | 1,798,000 | 292,400 | 266,000 | 0 | 0 | (46,400) | (606,400) | (13,700) | 11,017,900 |
| Central Services | | | | | | | | | | | | |
| Corporate Core & Democratic | | | | | | | | | | | | |
| 256 | Corporate Management | | | 173,600 | | | | | 0 | | 0 | 173,600 |
| | | 0 | 0 | 173,600 | 0 | 0 | | | 0 | 0 | 0 | 173,600 |
| 260 | Democratic Representation & Mgt | 223,600 | 14,000 | 35,100 | 1,100 | 40,700 | | | | 0 | | 314,500 |
| | | 228,600 | 14,000 | 30,800 | 1,100 | 40,400 | | | 0 | 0 | 0 | 314,900 |
| 270 | Future Model Transformation | 0 | | 0 | | | | | | (133,100) | | (133,100) |
| | | 2,000 | 0 | 118,700 | 0 | 0 | | | 0 | 0 | 0 | 120,700 |
| TOTAL Corporate & Democratic Core | | 223,600 | 14,000 | 208,700 | 1,100 | 40,700 | 0 | 0 | 0 | (133,100) | 0 | 355,000 |
| | | 230,600 | 14,000 | 323,100 | 1,100 | 40,400 | 0 | 0 | 0 | 0 | 0 | 609,200 |
| Central Services to the Public | | | | | | | | | | | | |
| 202 | Business Rates Collection | | | 4,300 | | | | | (5,100) | | (93,000) | (93,800) |
| | | 0 | 0 | 2,600 | 0 | 0 | | | 0 | 0 | (90,000) | (87,400) |
| 209 | Council Tax Benefit Admin | | | 3,200 | | | | | | | (51,000) | (47,800) |
| | | 0 | 0 | 2,700 | 0 | 0 | | | 0 | 0 | (54,300) | (51,600) |
| 216 | Council Tax Collection | | | 34,700 | | | | | (101,200) | | | (66,500) |
| | | 0 | 0 | 26,100 | 0 | 0 | | | 0 | (1,500) | 0 | 24,600 |
| 213 | Electoral Registration | 0 | | 44,000 | | | | | (1,200) | | | 42,800 |
| | | 100 | 0 | 42,900 | 0 | 0 | | | 0 | 0 | 0 | 43,000 |
| 253 | Civil Emergencies | | | 33,900 | | | | | | | | 33,900 |
| | | 0 | 0 | 22,029,500 | 0 | 0 | | | 0 | (900,200) | (23,180,900) | (2,051,600) |
| 254 | Election Management | | | 96,500 | 600 | | | | | | 0 | 97,100 |
| | | 0 | 0 | 96,500 | 600 | 0 | | | 0 | 0 | 0 | 97,100 |
| 255 | Land Charges | | | 16,100 | 0 | | | | (124,300) | | | (108,200) |
| | | 0 | 0 | 12,100 | 0 | 0 | | | (95,000) | 0 | 0 | (82,900) |
| TOTAL Central Services | | 0 | 0 | 232,700 | 600 | 0 | 0 | 0 | (231,800) | 0 | (144,000) | (142,500) |
| | | 100 | 0 | 22,212,400 | 600 | 0 | 0 | 0 | (95,000) | (901,700) | (23,325,200) | (2,108,800) |

ORIGINAL 20/21 Top
REVISED 20/21 Bottom (GREEN)

| | | Direct Costs | | | | Recharges | | Income | | | | Net Budget £ (1,963,900) |
|--|---------------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|--------------------------------|
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | |
| Cultural, Environmental & Cultural Services | | | | | | | | | | | | |
| 501, 502, 503, 509, 520, 522 | Sport | 0 | 0 | 176,100 | 24,400 | 0 | | | 0 | (630,000) | 0 | |
| | | 0 | 0 | 673,700 | 24,400 | 0 | | | (5,300) | (1,000) | 0 | (429,500) |
| 122, 506, 508 | Community Centres | 0 | 0 | 26,600 | 5,900 | 0 | | | 0 | (6,000) | 0 | 26,500 |
| | | 0 | 0 | 19,600 | 9,300 | 0 | | | 0 | (6,400) | 0 | 22,500 |
| 505, 511, 514, 516, 518, 519 | Parks & Open Spaces | 32,000 | 0 | 258,300 | 212,900 | 0 | | | (843,000) | (41,000) | 0 | (380,800) |
| | | 0 | 0 | 344,900 | 218,300 | 0 | | | (404,800) | (178,600) | 0 | (20,200) |
| 542, 546 | Heritage | 0 | 0 | 4,300 | 3,400 | 0 | | | 0 | 0 | 0 | 7,700 |
| | | 0 | 0 | 3,200 | 3,400 | 0 | | | 0 | 0 | 0 | 6,600 |
| 309 | Rivers | | 6,500 | 41,200 | 2,400 | | | | (182,400) | (7,400) | | (139,700) |
| | | 0 | 6,100 | 56,600 | 2,400 | 0 | | | (51,000) | (136,700) | 0 | (122,600) |
| 320, 325, 330 | Tourism | 14,300 | 0 | 30,300 | 0 | 0 | | | 0 | 0 | 0 | 44,600 |
| | | 0 | 0 | 47,400 | 0 | 0 | | | 0 | 0 | 0 | 47,400 |
| TOTAL Cultural Services | | 46,300 | 6,500 | 536,800 | 249,000 | 0 | 0 | 0 | (1,025,400) | (684,400) | 0 | (871,200) |
| | | 0 | 6,100 | 1,145,400 | 257,800 | 0 | 0 | 0 | (461,100) | (322,700) | 0 | 625,500 |
| Environmental Services | | | | | | | | | | | | 861,500 |
| 340 | Public Entertainment Licences | | | 30,600 | | | | | (56,700) | | | (26,100) |
| | | 0 | 0 | 30,700 | 0 | 0 | | | (51,800) | (2,600) | 0 | (23,700) |
| 341 | Hackney Carriage | | | 18,800 | | | | | (35,200) | | | (16,400) |
| | | 0 | 0 | 14,900 | 0 | 0 | | | (900) | (28,100) | 0 | (14,100) |
| 550 | Public Conveniences | | | 110,600 | 18,900 | | | | | | | 129,500 |
| | | 0 | 0 | 115,100 | 18,900 | 0 | | | 0 | 0 | 0 | 134,000 |
| 555 | Cemeteries | | | 59,000 | 12,900 | | | | (139,600) | | | (67,700) |
| | | 0 | 0 | 85,200 | 12,900 | 0 | | | (112,800) | (300) | 0 | (15,000) |
| 562, 563 | Community Safety | 0 | 0 | 35,100 | 0 | 0 | | | 0 | (14,300) | 0 | 20,800 |
| | | 0 | 0 | 40,100 | 0 | 0 | | | 0 | (14,300) | 0 | 25,800 |
| 576, 579, 581 | Waste Management | 0 | 2,900 | 3,579,400 | 220,900 | 0 | | | (2,024,500) | (700) | 0 | 1,778,000 |
| | | 0 | 2,500 | 3,701,000 | 220,900 | 0 | | | (2,177,600) | (900) | 0 | 1,745,900 |
| 566, 567, 570, 571, 572, 573, 577 | Other Environmental Health | 0 | 2,500 | 53,600 | 2,200 | 0 | | | (59,400) | 0 | 0 | (1,100) |
| | | 0 | 1,400 | 118,300 | 2,200 | 0 | | | (49,100) | (500) | 0 | 72,300 |
| TOTAL Environmental Services | | 0 | 5,400 | 3,887,100 | 254,900 | 0 | 0 | 0 | (2,315,400) | (15,000) | 0 | 1,817,000 |
| | | 0 | 3,900 | 4,105,300 | 254,900 | 0 | 0 | 0 | (2,392,200) | (46,700) | 0 | 1,925,200 |
| Planning & Development Services | | | | | | | | | | | | 143,700 |
| 232 | Discretionary Rate Relief | | | | | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 301 | Planning Policy | | | 162,000 | | | | | 0 | (135,500) | 0 | 26,500 |
| | | 0 | 0 | 89,500 | 0 | 0 | | | 0 | 0 | 0 | 89,500 |
| 302 | Development Control | | | 119,000 | | | | | (823,400) | 0 | 0 | (704,400) |
| | | 0 | 0 | 111,000 | 0 | 0 | | | (500,000) | (5,000) | 0 | (394,000) |
| 303 | Building Regs - Fee Related | | | 4,000 | | | | | (143,600) | | | (139,600) |
| | | 0 | 0 | 500 | 0 | 0 | | | (143,600) | 0 | 0 | (143,100) |
| 313 | Building Regs - Non Fee Related | | | 0 | | | | | 0 | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 304 | Building Conservation | | | 1,800 | | | | | 0 | 0 | 0 | 1,800 |
| | | 0 | 0 | 1,800 | 0 | 0 | | | 0 | 0 | 0 | 1,800 |
| 305 | Economic Development | | | 0 | | | | | | 0 | 0 | 0 |
| | | 0 | 0 | 20,300 | 0 | 0 | | | 0 | 0 | 0 | 20,300 |
| 307 | Gypsy & Traveller | | | 8,200 | | | | | | | | 8,200 |
| | | 0 | 0 | 8,200 | 0 | 0 | | | 0 | 0 | 0 | 8,200 |
| 317 | Bradwell B | | | | | | | | | | | |
| | | 0 | 0 | 172,400 | 0 | 0 | | | 0 | (135,500) | 0 | 36,900 |
| 565 | Community Grants | | | 73,500 | 0 | | | | | 0 | | 73,500 |
| | | 0 | 0 | 73,500 | 0 | 0 | | | 0 | 0 | 0 | 73,500 |
| TOTAL Planning & Development Services | | 0 | 0 | 368,500 | 0 | 0 | 0 | 0 | (967,000) | (135,500) | 0 | (734,000) |
| | | 0 | 0 | 477,200 | 0 | 0 | 0 | 0 | (643,600) | (140,500) | 0 | (306,900) |

ORIGINAL 20/21 Top
REVISED 20/21 Bottom (GREEN)

| Cost Centre | Description | Direct Costs | | | | Recharges | | | Income | | | Net Budget |
|---|------------------------|-----------------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|------------|
| | | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | |
| | | | | | | | | | | | | 481,400 |
| Highways, Roads & Transport | | | | | | | | | | | | |
| 311 | Highways | | | | | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 312 | Street Naming | | | 8,900 | | | | | | | | 8,900 |
| | | 0 | 0 | 8,900 | 0 | 0 | | | 0 | 0 | 0 | 8,900 |
| 534, 535 | Off Street Parking | 0 | 0 | 153,600 | 15,000 | 0 | | | (900,400) | 0 | 0 | (731,800) |
| | | 0 | 0 | 177,300 | 15,000 | 0 | | | (482,400) | 0 | 0 | (290,100) |
| TOTAL Highways, Roads & Transport Services | | 0 | 0 | 162,500 | 15,000 | 0 | 0 | 0 | (900,400) | 0 | 0 | (722,900) |
| | | 0 | 0 | 186,200 | 15,000 | 0 | 0 | 0 | (482,400) | 0 | 0 | (281,200) |
| | | | | | | | | | | | | 286,300 |
| Housing Services | | | | | | | | | | | | |
| 204 | Rent Allowances | | | 14,575,400 | | | | | | (258,000) | (14,157,500) | 159,900 |
| | | 0 | 0 | 11,559,600 | 0 | 0 | | | 0 | (345,100) | (11,054,600) | 159,900 |
| 203 | Housing Benefits Admin | | | 12,300 | | | | | (7,000) | | (130,000) | (124,700) |
| | | 0 | 0 | 11,700 | 0 | 0 | | | 0 | (3,000) | (118,300) | (109,600) |
| 591, 592, 593, 598 | Other Housing Services | 0 | 0 | 137,000 | 0 | 0 | | | (40,500) | (5,000) | (112,400) | (20,900) |
| | | 0 | 0 | 201,400 | 0 | 0 | | | (50,000) | (10,000) | (176,900) | (35,500) |
| TOTAL Housing Services | | 0 | 0 | 14,724,700 | 0 | 0 | 0 | 0 | (47,500) | (263,000) | (14,399,900) | 14,300 |
| | | 0 | 0 | 11,772,700 | 0 | 0 | 0 | 0 | (50,000) | (358,100) | (11,349,800) | 14,800 |
| | | | | | | | | | | | | 121,300 |
| Non Distributed Costs | | | | | | | | | | | | |
| 257 | Non Distributed Costs | | | | | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| TOTAL Non Distributed Costs | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Services | | | | | | | | | | | | |
| 224 | Misc Land & Property | | | 4,400 | 0 | | | | (35,500) | | | (31,100) |
| | | 0 | 0 | 4,600 | 0 | 0 | | | 0 | (68,500) | 0 | (63,900) |
| 225 | Industrial Sites | | | 2,800 | 0 | | | | (114,900) | | | (112,100) |
| | | 0 | 0 | 1,800 | 0 | 0 | | | 0 | (114,900) | 0 | (113,100) |
| TOTAL Other Services | | 0 | 0 | 7,200 | 0 | 0 | 0 | 0 | (150,400) | 0 | 0 | (143,200) |
| | | 0 | 0 | 6,400 | 0 | 0 | 0 | 0 | 0 | (183,400) | 0 | (177,000) |
| | | | | | | | | | | | | (33,800) |
| SUB TOTAL | | ORIGINAL 20/21 | | | | | | | | | | |
| | | 9,419,200 | 101,200 | 21,630,600 | 813,000 | 0 | 0 | 0 | (5,677,200) | (1,798,500) | (14,543,900) | 9,944,400 |
| | | REVISED 20/21 | | | | | | | | | | |
| | | 9,483,300 | 99,400 | 42,026,700 | 821,800 | 306,400 | 0 | 0 | (4,170,700) | (2,559,500) | (34,688,700) | 11,318,700 |
| Less Vacancy/Savings Allowance | | | | | | | | | | | | |
| TOTAL AGREED BUDGET | | ORIGINAL 20/21 | | | | | | | | | | |
| | | 9,419,200 | 101,200 | 21,630,600 | 813,000 | 0 | 0 | 0 | (5,677,200) | (1,798,500) | (14,543,900) | 9,944,400 |
| | | REVISED 20/21 | | | | | | | | | | |
| | | 9,483,300 | 99,400 | 42,026,700 | 821,800 | 306,400 | 0 | 0 | (4,170,700) | (2,559,500) | (34,688,700) | 11,318,700 |

APPENDIX 3

| ORIGINAL 20/21 Top ORIGINAL 21/22 Bottom (YELLOW) | | Direct Costs | | | | Recharges | | Income | | | APPENDIX 3 | |
|---|------------------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|-----------------|
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | Net Budget £ |
| <u>Service Management & Support Services</u> | | | | | | | | | | | | |
| 172 | Strategy, Performance & Governance | 1,319,800 | 4,400 | 10,700 | | 8,300 | | | | | | 1,343,200 |
| | | 1,446,000 | 4,400 | 10,700 | 0 | 8,200 | | | 0 | 0 | 0 | 1,469,300 |
| 171 | Resources | 2,174,300 | | 21,900 | | 102,900 | | | | | | 2,299,100 |
| | | 2,332,500 | 0 | 28,100 | 0 | 101,600 | | | 0 | 0 | 0 | 2,462,200 |
| 170 | Service Delivery | 5,564,700 | 2,200 | 31,000 | | 156,300 | | | | | | 5,754,200 |
| | | 6,019,300 | 9,500 | 39,800 | 0 | 154,200 | | | 0 | 0 | 0 | 6,222,800 |
| 101 | Corporate Core | 0 | 500 | 3,400 | | | | | | | 0 | 3,900 |
| | | 0 | 0 | 2,000 | 0 | 0 | | | 0 | 0 | 0 | 2,000 |
| 102 | Election Services | 0 | 0 | 1,000 | | | | | | | | 1,000 |
| | | 0 | 0 | 200 | 0 | 0 | | | 0 | 0 | 0 | 200 |
| 103 | Policy & Comms | 0 | 0 | 13,700 | 0 | | | | | | 0 | 13,700 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 104 | Training | | | 61,100 | | | | | | | 0 | 61,100 |
| | | 0 | 0 | 49,200 | 0 | 0 | | | 0 | 0 | 0 | 49,200 |
| 105 | Human Resources | 0 | 0 | 20,500 | | | | | | | | 20,500 |
| | | 0 | 0 | 32,800 | 0 | 0 | | | 0 | 0 | 0 | 32,800 |
| 106 | Apprentices | 18,000 | | 0 | | | | | | | | 18,000 |
| | | 18,000 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 18,000 |
| 108 | Committee Services | 0 | 0 | 18,900 | | | | | (10,000) | | | 8,900 |
| | | 0 | 0 | 23,100 | 0 | 0 | | | 0 | (10,000) | 0 | 13,100 |
| 109 | General Office Support | 0 | 0 | 200 | 0 | | | | | | | 200 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 110 | Customer Services | 0 | 0 | 16,100 | 0 | | | | | (30,400) | | (14,300) |
| | | 0 | 0 | 16,700 | 0 | 0 | | | 0 | 0 | 0 | 16,700 |
| 111 | Internal Audit & Perf. Review | 0 | 0 | 70,400 | | | | | | | 0 | 70,400 |
| | | 0 | 0 | 72,400 | 0 | 0 | | | 0 | 0 | 0 | 72,400 |
| 113 | Finance | 0 | 0 | 38,800 | 0 | | | | | | 0 | 38,800 |
| | | 0 | 0 | 39,400 | 0 | 0 | | | 0 | 0 | 0 | 39,400 |
| 114 | Revenues & Benefits | 0 | 0 | 104,000 | 0 | | | | | (309,700) | | (205,700) |
| | | 0 | 0 | 105,000 | 0 | 0 | | | 0 | (227,000) | 0 | (122,000) |
| 118 | Leisure & Community | 0 | 600 | 64,500 | 0 | | | | | (9,000) | | 56,100 |
| | | 0 | 200 | 65,800 | 0 | 0 | | | 0 | (9,000) | 0 | 57,000 |
| 119 | IT Services | 0 | 0 | 525,700 | 161,100 | | | | | | | 686,800 |
| | | 0 | 0 | 534,300 | 164,300 | 0 | | | 0 | 0 | 0 | 698,600 |
| 121 | Council Offices | 400 | 0 | 283,100 | 94,900 | (308,200) | | | | (70,200) | | 0 |
| | | 400 | 0 | 261,700 | 94,900 | (304,000) | | | 0 | (53,000) | 0 | 0 |
| 124 | Princes Rd Depot | | | 15,700 | 3,100 | | | | | | | 18,800 |
| | | 0 | 0 | 15,500 | 3,100 | | | | 0 | 0 | 0 | 18,600 |
| 129 | Legal Services | | | 0 | 0 | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | | | | 0 | 0 | 0 | 0 |
| 132 | Environmental Health | 0 | 0 | 10,200 | | | | | | | 0 | 10,200 |
| | | 0 | 0 | 11,200 | 0 | 0 | | | 0 | 0 | 0 | 11,200 |
| 133 | Environmental Waste | 0 | 0 | 1,400 | | | | | | | 0 | 1,400 |
| | | 0 | 0 | 1,700 | 0 | 0 | | | 0 | 0 | 0 | 1,700 |
| 134 | Housing | 0 | 0 | 11,700 | | | | | | | 0 | 11,700 |
| | | 0 | 0 | 7,400 | 0 | 0 | | | 0 | 0 | 0 | 7,400 |
| 141 | Parks & Countryside Services | 72,100 | 54,000 | 110,300 | 27,300 | 0 | 0 | 0 | (29,300) | (60,700) | 0 | 173,700 |
| | | 74,600 | 46,900 | 104,300 | 33,800 | 0 | 0 | 0 | (46,400) | (75,000) | 0 | 138,200 |
| 149 | Nursery | | | 0 | 400 | | | | | | | 400 |
| | | 0 | 0 | 0 | 400 | 0 | | | 0 | 0 | 0 | 400 |
| 153 | Parks Rangers | 0 | 8,100 | 6,900 | 2,000 | | | | | (85,000) | | (68,000) |
| | | 0 | 7,200 | 8,700 | 4,300 | 0 | | | 0 | (96,200) | 0 | (76,000) |
| 155 | Prom Depot | | | 10,400 | 3,600 | | | | | (2,500) | | 11,500 |
| | | 0 | 0 | 10,900 | 3,600 | | | | 0 | (2,500) | 0 | 12,000 |

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APPENDIX 3

| ORIGINAL 20/21 Top ORIGINAL 21/22 Bottom (YELLOW) | | Direct Costs | | | | Recharges | | Income | | | APPENDIX 3 | |
|---|---------------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|-----------------|
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | Net Budget £ |
| 163 | Enforcement | 0 | 0 | 5,600 | | | | | | | 0 | 5,600 |
| | | 0 | 0 | 6,200 | 0 | 0 | | | 0 | 0 | 0 | 6,200 |
| 164 | Economic Development | 0 | 0 | 400 | | | | | | | | 400 |
| | | 0 | 0 | 500 | 0 | 0 | | | 0 | 0 | 0 | 500 |
| 165 | Planning Policy Services | 0 | 0 | 3,000 | | | | | | | | 3,000 |
| | | 0 | 0 | 3,100 | 0 | 0 | | | 0 | 0 | 0 | 3,100 |
| 166 | Planning Admin Services | 0 | 0 | 26,100 | | | | | | | | 26,100 |
| | | 0 | 0 | 24,900 | 0 | 0 | | | 0 | 0 | 0 | 24,900 |
| 167 | Development Control Services | 0 | 0 | 11,400 | | | | | | | 0 | 11,400 |
| | | 0 | 0 | 11,900 | 0 | 0 | | | 0 | 0 | 0 | 11,900 |
| 168 | Building Control Services | 0 | 5,500 | 4,300 | | | | | | | | 9,800 |
| | | 0 | 5,500 | 5,100 | 0 | 0 | | | 0 | 0 | 0 | 10,600 |
| TOTAL Service Management & Support Services | | 9,149,300 | 75,300 | 1,502,400 | 292,400 | (40,700) | 0 | 0 | (39,300) | (567,500) | 0 | 10,371,900 |
| | | 9,890,800 | 73,700 | 1,492,600 | 304,400 | (40,000) | 0 | 0 | (46,400) | (472,700) | 0 | 11,202,400 |
| | | | | | | | | | | | | 1,175,100 |
| Central Services | | | | | | | | | | | | |
| Corporate Core & Democratic | | | | | | | | | | | | |
| Core | | | | | | | | | | | | |
| 256 | Corporate Management | | | 173,600 | | | | | 0 | | 0 | 173,600 |
| | | 0 | 0 | 545,900 | 0 | 0 | | | 0 | 0 | (371,400) | 174,500 |
| 260 | Democratic Representation & Mgt | 223,600 | 14,000 | 35,100 | 1,100 | 40,700 | | | | 0 | | 314,500 |
| | | 228,600 | 14,000 | 27,200 | 1,100 | 40,000 | | | 0 | 0 | 0 | 310,900 |
| 270 | Future Model Transformation | 0 | | 0 | | | | | | (133,100) | | (133,100) |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| TOTAL Corporate & Democratic Core | | 223,600 | 14,000 | 208,700 | 1,100 | 40,700 | 0 | 0 | 0 | (133,100) | 0 | 355,000 |
| | | 228,600 | 14,000 | 573,100 | 1,100 | 40,000 | 0 | 0 | 0 | 0 | (371,400) | 485,400 |
| | | | | | | | | | | | | (461,700) |
| Central Services to the Public | | | | | | | | | | | | |
| 202 | Business Rates Collection | | | 4,300 | | | | | (5,100) | | (93,000) | (93,800) |
| | | 0 | 0 | 4,300 | 0 | 0 | | | 0 | (5,100) | (90,000) | (90,800) |
| 209 | Council Tax Benefit Admin | | | 3,200 | | | | | | | (51,000) | (47,800) |
| | | 0 | 0 | 3,200 | 0 | 0 | | | 0 | 0 | (54,300) | (51,100) |
| 216 | Council Tax Collection | | | 34,700 | | | | | (101,200) | | | (66,500) |
| | | 0 | 0 | 34,600 | 0 | 0 | | | (101,200) | | 0 | (66,600) |
| 213 | Electoral Registration | 0 | | 44,000 | | | | | (1,200) | | | 42,800 |
| | | 0 | 0 | 43,600 | 0 | 0 | | | 0 | 0 | 0 | 43,600 |
| 253 | Civil Emergencies | | | 33,900 | | | | | | | | 33,900 |
| | | 0 | 0 | 37,900 | 0 | 0 | | | 0 | 0 | 0 | 37,900 |
| 254 | Election Management | | | 96,500 | 600 | | | | | 0 | | 97,100 |
| | | 0 | 0 | 96,500 | 600 | 0 | | | 0 | 0 | 0 | 97,100 |
| 255 | Land Charges | | | 16,100 | 0 | | | | (124,300) | | | (108,200) |
| | | 0 | 0 | 70,400 | 0 | 0 | | | (124,300) | 0 | 0 | (53,900) |
| TOTAL Central Services | | 0 | 0 | 232,700 | 600 | 0 | 0 | 0 | (231,800) | 0 | (144,000) | (142,500) |
| | | 0 | 0 | 290,500 | 600 | 0 | 0 | 0 | (225,500) | (5,100) | (144,300) | (83,800) |

| ORIGINAL 20/21 Top ORIGINAL 21/22 Bottom (YELLOW) | | APPENDIX 3 | | | | | | | | | | |
|---|---------------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|-----------------|
| | | Direct Costs | | | | Recharges | | Income | | | | |
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | Net Budget £ |
| | | | | | | | | | | | | 61,100 |
| <u>Cultural, Environmental & Planning Services</u> | | | | | | | | | | | | |
| <u>Cultural Services</u> | | | | | | | | | | | | |
| 501, 502, 503, 509, 520, 522 | Sport | 0 | 0 | 176,100 | 24,400 | 0 | | | 0 | (630,000) | 0 | (429,500) |
| | | 0 | 0 | 184,200 | 24,400 | 0 | | | 0 | (638,200) | 0 | (429,600) |
| 122, 506, 508 | Community Centres | 0 | 0 | 26,600 | 5,900 | 0 | | | 0 | (6,000) | 0 | 26,500 |
| | | 0 | 0 | 25,600 | 9,300 | 0 | | | 0 | (7,400) | 0 | 27,500 |
| 505, 511, 514, 516, 518, 519 | Parks & Open Spaces | 32,000 | 0 | 258,300 | 212,900 | 0 | | | (843,000) | (41,000) | 0 | (380,800) |
| | | 32,000 | 0 | 319,200 | 219,300 | 0 | | | (635,400) | (224,700) | 0 | (289,600) |
| 542, 546 | Heritage | 0 | 0 | 4,300 | 3,400 | 0 | | | 0 | 0 | 0 | 7,700 |
| | | 0 | 0 | 4,000 | 3,400 | 0 | | | 0 | 0 | 0 | 7,400 |
| 309 | Rivers | | 6,500 | 41,200 | 2,400 | | | | (182,400) | (7,400) | | (139,700) |
| | | 0 | 6,100 | 36,900 | 2,400 | 0 | | | (58,600) | (136,100) | 0 | (149,300) |
| 320, 325, 330 | Tourism | 14,300 | 0 | 30,300 | 0 | 0 | | | 0 | 0 | 0 | 44,600 |
| | | 0 | 0 | 47,500 | 0 | 0 | | | 0 | 0 | 0 | 47,500 |
| <u>TOTAL Cultural Services</u> | | 46,300 | 6,500 | 536,800 | 249,000 | 0 | 0 | 0 | (1,025,400) | (684,400) | 0 | (871,200) |
| | | 32,000 | 6,100 | 617,400 | 258,800 | 0 | 0 | 0 | (694,000) | (1,006,400) | 0 | (786,100) |
| | | | | | | | | | | | | (550,100) |
| <u>Environmental Services</u> | | | | | | | | | | | | |
| 340 | Public Entertainment Licences | | | 30,600 | | | | | (56,700) | | | (26,100) |
| | | 0 | 0 | 30,600 | 0 | 0 | | | (51,000) | (5,700) | 0 | (26,100) |
| 341 | Hackney Carriage | | | 18,800 | | | | | (35,200) | | | (16,400) |
| | | 0 | 0 | 18,800 | 0 | 0 | | | (1,800) | (33,400) | 0 | (16,400) |
| 550 | Public Conveniences | | | 110,600 | 18,900 | | | | | | | 129,500 |
| | | 0 | 0 | 114,700 | 18,900 | 0 | | | 0 | 0 | 0 | 133,600 |
| 555 | Cemeteries | | | 59,000 | 12,900 | | | | (139,600) | | | (67,700) |
| | | 0 | 0 | 47,600 | 14,600 | 0 | | | (139,000) | (300) | 0 | (77,100) |
| 562, 563 | Community Safety | 0 | 0 | 35,100 | 0 | 0 | | | 0 | (14,300) | 0 | 20,800 |
| | | 0 | 0 | 38,100 | 0 | 0 | | | 0 | (14,300) | 0 | 23,800 |
| 576, 579, 581 | Waste Management | 0 | 2,900 | 3,579,400 | 220,900 | 0 | | | (2,024,500) | (700) | 0 | 1,778,000 |
| | | 0 | 2,500 | 3,794,900 | 222,200 | 0 | | | (2,168,300) | (700) | 0 | 1,850,600 |
| 566, 567, 570, 571, 572, 573, 577 | Other Environmental Health | 0 | 2,500 | 53,600 | 2,200 | 0 | | | (59,400) | 0 | 0 | (1,100) |
| | | 0 | 1,400 | 53,700 | 2,200 | 0 | | | (59,200) | (700) | 0 | (2,600) |
| <u>TOTAL Environmental Services</u> | | 0 | 5,400 | 3,887,100 | 254,900 | 0 | 0 | 0 | (2,315,400) | (15,000) | 0 | 1,817,000 |
| | | 0 | 3,900 | 4,098,400 | 257,900 | 0 | 0 | 0 | (2,419,300) | (55,100) | 0 | 1,885,800 |
| | | | | | | | | | | | | 104,300 |
| <u>Planning & Development Services</u> | | | | | | | | | | | | |
| 232 | Discretionary Rate Relief | | | | | | | | | | | 0 |
| 301 | Planning Policy | | | 162,000 | | | | | 0 | (135,500) | 0 | 26,500 |
| | | 0 | 0 | 796,500 | 0 | 0 | | | 0 | 0 | 0 | 796,500 |
| 302 | Development Control | | | 119,000 | | | | | (823,400) | 0 | 0 | (704,400) |
| | | 0 | 0 | 119,000 | 0 | 0 | | | (807,800) | (15,600) | 0 | (704,400) |
| 303 | Building Regs - Fee Related | | | 4,000 | | | | | (143,600) | | | (139,600) |
| | | 0 | 0 | 500 | 0 | 0 | | | (151,500) | 0 | 0 | (151,000) |
| 313 | Building Regs - Non Fee Related | | | 0 | | | | | 0 | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 304 | Building Conservation | | | 1,800 | | | | | 0 | 0 | 0 | 1,800 |
| | | 0 | 0 | 1,800 | 0 | 0 | | | 0 | 0 | 0 | 1,800 |
| 305 | Economic Development | | | 0 | | | | | | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 307 | Gypsy & Traveller | | | 8,200 | | | | | | | | 8,200 |
| | | 0 | 0 | 8,400 | 0 | 0 | | | 0 | 0 | 0 | 8,400 |
| 317 | Bradwell B | | | | | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 565 | Community Grants | | | 73,500 | 0 | | | | | 0 | | 73,500 |
| | | 0 | 0 | 75,000 | 0 | 0 | | | 0 | 0 | 0 | 75,000 |
| <u>TOTALPlanning & Development Services</u> | | 0 | 0 | 368,500 | 0 | 0 | 0 | 0 | (967,000) | (135,500) | 0 | (734,000) |
| | | 0 | 0 | 1,001,200 | 0 | 0 | 0 | 0 | (959,300) | (15,600) | 0 | 26,300 |

APPENDIX 3

| ORIGINAL 20/21 Top ORIGINAL 21/22 Bottom (YELLOW) | | Direct Costs | | | | Recharges | | | Income | | | APPENDIX 3 |
|---|------------------------|---------------|----------------|----------------------------|-------------------------|----------------------------|-----------------|------------------|--------------------------|-------------------|-----------------------|-----------------|
| Cost Centre | Description | Staffing £ | Transport £ | Goods and Services £ | Capital Charges £ | Offices and Depots £ | Support in £ | Support out £ | Fees and Charges £ | Other Income £ | Government Grant £ | Net Budget £ |
| | | | | | | | | | | | | 814,600 |
| <u>Highways, Roads & Transport Services</u> | | | | | | | | | | | | 0 |
| 311 | Highways | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| 312 | Street Naming | | | 8,900 | | | | | | | | 8,900 |
| | | 0 | 0 | 8,900 | 0 | 0 | | | 0 | 0 | 0 | 8,900 |
| 534, 535 | Off Street Parking | 0 | 0 | 153,600 | 15,000 | 0 | | | (900,400) | 0 | 0 | (731,800) |
| | | 0 | 0 | 172,000 | 15,000 | 0 | | | (900,200) | 0 | 0 | (713,200) |
| <u>TOTAL Highways, Roads & Transport Services</u> | | 0 | 0 | 162,500 | 15,000 | 0 | 0 | 0 | (900,400) | 0 | 0 | (722,900) |
| | | 0 | 0 | 180,900 | 15,000 | 0 | 0 | 0 | (900,200) | 0 | 0 | (704,300) |
| | | | | | | | | | | | | (136,800) |
| <u>Housing Services</u> | | | | | | | | | | | | |
| 204 | Rent Allowances | | | 14,575,400 | | | | | | (258,000) | (14,157,500) | 159,900 |
| | | 0 | 0 | 11,559,600 | 0 | 0 | | | 0 | (345,100) | (11,054,600) | 159,900 |
| 203 | Housing Benefits Admin | | | 12,300 | | | | | (7,000) | | (130,000) | (124,700) |
| | | 0 | 0 | 12,200 | 0 | 0 | | | 0 | (7,000) | (110,000) | (104,800) |
| 591, 592, 593, 598 | Other Housing Services | 0 | 0 | 137,000 | 0 | 0 | | | (40,500) | (5,000) | (112,400) | (20,900) |
| | | 0 | 0 | 177,900 | 0 | 0 | | | (13,000) | (32,500) | (142,300) | (9,900) |
| <u>TOTAL Housing Services</u> | | 0 | 0 | 14,724,700 | 0 | 0 | 0 | 0 | (47,500) | (263,000) | (14,399,900) | 14,300 |
| | | 0 | 0 | 11,749,700 | 0 | 0 | 0 | 0 | (13,000) | (384,600) | (11,306,900) | 45,200 |
| | | | | | | | | | | | | 151,700 |
| <u>Non Distributed Costs</u> | | | | | | | | | | | | |
| 257 | Non Distributed Costs | | | | | | | | | | | 0 |
| | | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | 0 | 0 |
| <u>TOTAL Non Distributed Costs</u> | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | | | | | |
| <u>Other Services</u> | | | | | | | | | | | | |
| 224 | Misc Land & Property | | | 4,400 | 0 | | | | (35,500) | | | (31,100) |
| | | 0 | 0 | 4,400 | 0 | 0 | | | 0 | (68,500) | 0 | (64,100) |
| 225 | Industrial Sites | | | 2,800 | 0 | | | | (114,900) | | | (112,100) |
| | | 0 | 0 | 2,800 | 0 | 0 | | | 0 | (114,900) | 0 | (112,100) |
| <u>TOTAL Other Services</u> | | 0 | 0 | 7,200 | 0 | 0 | 0 | 0 | (150,400) | 0 | 0 | (143,200) |
| | | 0 | 0 | 7,200 | 0 | 0 | 0 | 0 | 0 | (183,400) | 0 | (176,200) |
| | | | | | | | | | | | | (33,000) |
| <u>SUB TOTAL</u> | | 9,419,200 | 101,200 | 21,630,600 | 813,000 | 0 | 0 | 0 | (5,677,200) | (1,798,500) | (14,543,900) | 9,944,400 |
| <u>ORIGINAL 21/22</u> | | 10,151,400 | 97,700 | 20,011,000 | 837,800 | 0 | 0 | 0 | (5,257,700) | (2,122,900) | (11,822,600) | 11,894,700 |
| <u>Less Vacancy/Savings Allowance 1%</u> | | | | | | | | | | | | |
| <u>TOTAL AGREED BUDGET</u> | | 9,419,200 | 101,200 | 21,630,600 | 813,000 | 0 | 0 | 0 | (5,677,200) | (1,798,500) | (14,543,900) | 9,944,400 |
| <u>ORIGINAL 21/22</u> | | 10,151,400 | 97,700 | 20,011,000 | 837,800 | 0 | 0 | 0 | (5,257,700) | (2,122,900) | (11,822,600) | 11,894,700 |

| Reserve | Purpose | Review Mechanism | Balance 31-Mar-20 £000's | Movement £000's | Balance 31-Mar-21 £000's | Movement £000's | Balance 31-Mar-22 £000's | Movement £000's | Balance 31-Mar-23 £000's | Movement £000's | Balance 31-Mar-24 £000's |
|--|---|---|--------------------------------|--------------------|--------------------------------|--------------------|--------------------------------|--------------------|--------------------------------|--------------------|--------------------------------|
| Transformation | 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. | Annually by the Strategic and Resources Committee at final accounts approval stage | 952 | | 952 | 0 | 952 | -17 | 935 | -343 | 592 |
| Community Sports Network/Health & Wellbeing | The Council has schemes for awarding grants. The time limits on these grants exceed the financial year in which budget provision is made, necessitating a reserve to cover outstanding liabilities. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 41 | | 41 | | 41 | | 41 | | 41 |
| Insurance liability | 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, finance any claims for small risks not insured externally and cover any future liability that may arise from winding up of Municipal Mutual Insurance. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 52 | | 52 | | 52 | | 52 | | 52 |
| Repairs & renewals fund | To provide funds to support additional revenue / capital costs arising from the need to maintain the Council's Asset base | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 203 | -26 | 177 | | 177 | | 177 | | 177 |
| Revenue commitments | This reserve exists to smooth out the timing differences between monies being earmarked to expenditure from the annual revenue budget and the expenditure actually occurring | Annually by the Strategic and Resources Committee at final accounts approval stage | 591 | -591 | 0 | | 0 | | 0 | | 0 |
| Community Infrastructure levy and LDP review | Money has been put aside from unspent budgets to support the creation and adoption of the delayed LDP | Annually by the Strategic and Resources Committee at final accounts approval stage | 226 | -61 | 165 | | 165 | | 165 | | 165 |
| New Homes Bonus reserve | Member decision | Annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 638 | 646 | 1,284 | -793 | 491 | -491 | 0 | | 0 |
| Neighbourhood Plan Applications | To provide funding for preparation of Neighbourhood Plans | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 29 | | 29 | | 29 | | 29 | | 29 |
| Waste Contract Implementation | Money set aside towards the procurement and mobilisation of the new Waste contract | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 15 | | 15 | | 15 | | 15 | | 15 |
| Homeless reduction Act Grant | Reserve set up to use three years of grant funding for Homelessness Reduction Officer. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 57 | | 57 | | 57 | | 57 | | 57 |
| Business Rates equalisation | This reserve is to counter the timing differences in Business Rates funding. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 833 | | 833 | | 833 | | 833 | | 833 |
| Pensions Reserve | To provide a reserve to enable the Authority to forward fund the pension deficit for 3 years in 2020. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 116 | -116 | 0 | 520 | 520 | 520 | 1,040 | -1,040 | 0 |
| 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. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 116 | | 116 | | 116 | | 116 | | 116 |
| Other Reserves | Other reserves have been set up in relation to the continuation of projects for which external funds have been received but have not been fully utilised within that particular year. | Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages | 282 | | 282 | | 282 | | 282 | | 282 |
| Total Earmarked Reserves | | | 4,151 | -148 | 4,003 | -273 | 3,730 | 12 | 3,742 | -1,383 | 2,359 |

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Section 151 Officer's statement on robustness of budgets and adequacy of reserves

Introduction

The Section 151 Officer (S151 of the Local Government Act 1972) is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

- (1) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major precepting authority) or section 85 of the Greater London Authority Act 1999 (c.29) (Great London Authority) applies is making calculations in accordance with that section, the chief finance officer of the authority must report to it on the following matters-*
- (a) The robustness of the estimates made for the purposes of the calculations, and*
 - (b) The adequacy of the proposed financial reserves.*
- (2) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.*

This includes reporting and taking into account:

- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
- The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.

This report has to be considered and approved by Council as part of the budget approval and Council Tax setting process.

This document concentrates on the 2021/22 Revenue Budget Estimates, the proposed Capital Programme, Capital Strategy and Investment Strategy, but in addition it also considers key medium-term issues faced by the Council.

Assurance Statement of the Council's Section 151 Officer

The following are the summary assurances and recommendations of the Council's Section 151 Officer.

In relation to the 2021/22 budget, I have examined the budget proposals and I believe that, whilst the spending and service delivery proposals are challenging, they are nevertheless achievable given the political and management will to implement them, good management, and the sound monitoring of performance and budgets. I am satisfied that sufficient management processes exist within the Council to deliver this budget and to identify and deal with issues which may arise unexpectedly during the year.

1. My assurance is conditional upon:

- The agreement of a Medium-Term Financial Strategy for 2021/22 to 2023/24.
 - The continued impact of the COVID-19 pandemic. Whilst the Council has identified finances to utilise as contingencies against the pandemic the future remains uncertain as to the exact path of the recovery and timescale. Of particular concern is the £629k income from the leisure centre management fee and support for the centres. An extension to the government's income compensation scheme until 30 June 2021 provides a period of government support in terms of the income.
 - A recognition in the medium term planning approach that the level of reserves and corporate risk assessment need to be regularly reviewed in the light of changing circumstances and that it may not be possible to match the two at any single point in time. The Council needs to show a commitment to maintain reserves at a level which provides adequate cover for most identified risks during the planning period. This approach is pragmatic and shows a clear commitment to prudent financial planning.
 - Councillors, Directors, Service Managers and budget holders managing their services with challenge on spending decisions and giving due regard to and exercising the financial controls and checks set out within the Council's Financial Regulations and Contract Standing Orders and delegations and spending within budget.
 - That the Council has arrangements and resources in place to consider value for money in preparation for future years' budgets.
2. In relation to the adequacy of reserves, the overall position is that the authority has healthy balances across the General Fund and Capital but recognises that over the medium term these are reducing rapidly. The

policy on reserves and use of balances is set out annually and agreed in the medium term financial strategy.

3. In relation to the General Fund Capital Programme 2021/22, balances remain healthy, but the position is changing as capital receipts decline.

Assurance

Given all these factors, I, as the Council's Section 151 Officer, consider the estimates for 2021/22 to be sufficiently robust, but challenging, for approval by the Council. I am also able to advise the Council that the planned level of usable General Fund Reserves and the working balance is adequate.

Chris Leslie, Director of Resources (Section 151 Officer)

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

MEDIUM-TERM FINANCIAL STRATEGY 2021 / 22 TO 2023 / 24

1. PURPOSE OF THE REPORT

- 1.1 To present the revised Medium-Term Financial Strategy for 2021 / 22 to 2023 / 24 to the Council 22 February 2021.

2. RECOMMENDATION

That the updated Medium-Term Financial Strategy for 2021 / 22 to 2023 / 24 (as at 28 January 2021) at **APPENDIX 1** be recommended to Council.

3. SUMMARY OF KEY ISSUES

- 3.1 The Medium-Term Financial Strategy (MTFS) sets out how the Council will manage its revenue finances up to the 2023 / 24 financial year. The MTFS supports the delivery of the Council's objectives and priorities as set out in the Council's Corporate Plan.
- 3.2 This MTFS builds on the MTFS for 2020 / 21 to 2023 / 24 that was approved by the Council on 13 February 2020, which was subsequently updated for the impact of the COVID-19 pandemic and presented to Council on 16 July 2020. The current MTFS now covers the financial years 2021 / 22 to 2023 / 24 and is at **APPENDIX 1**.
- 3.3 There remains a great level of uncertainty around the global economy, particularly with an ongoing pandemic, and the impact this will have on the Council's finances, especially Council Tax and Business Rates. Therefore, the MTFS will need to be regularly updated and kept under review.

4. MEDIUM TERM FINANCIAL STRATEGY 2021 / 22 TO 2023 / 24

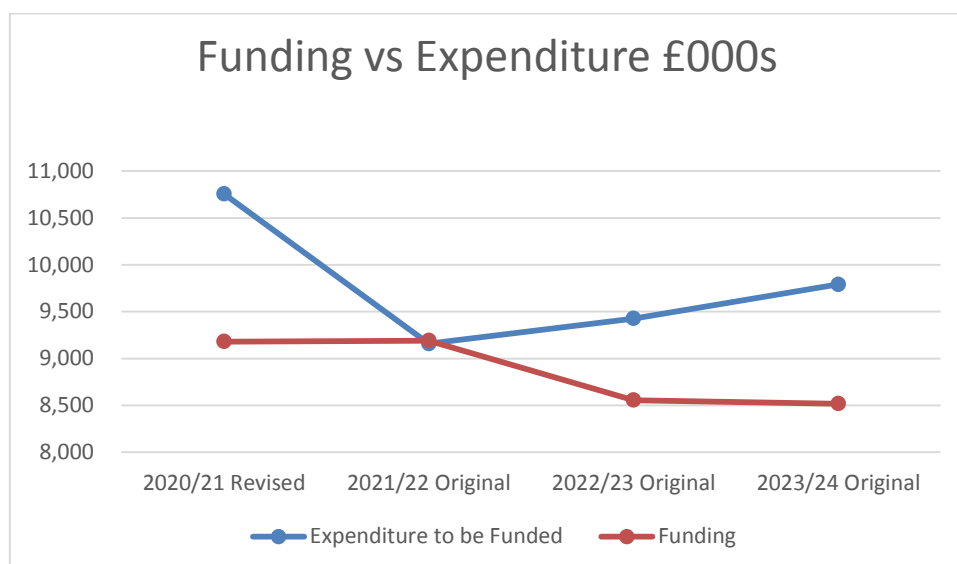
- 4.1 A review of budgets has been undertaken to identify changes required from the 2020/21 budget. The updated MTFS is attached at **APPENDIX 1** and a summary of the budget changes are provided in the following table.

Table 1 – MTFS Summary

| | 2020/21 Original | 2020/21 Revised | 2021/22 Original | 2022/23 Original | 2023/24 Original |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Prior Year Exp to be Funded | 8,944 | 8,944 | 9,945 | 11,895 | 11,878 |
| Inflationary Pressures | 361 | 361 | 325 | 356 | 364 |
| Cost Pressures, Repairs and Renewals | 566 | 1,445 | 289 | | |
| Pension Adjustment | | | 242 | | |
| Growth | | | 1,094 | -373 | -165 |
| Income, Fees and Charges | 74 | 573 | | | |
| Cost of Services | 9,945 | 11,319 | 11,895 | 11,878 | 12,077 |
| Investment Income | -283 | -211 | -133 | -133 | -133 |
| Forward Funding of Pension Fund Deficit | 1,556 | 1,556 | | | 1556 |
| Pension Fund Adjustment | 622 | 380 | | | |
| Statutory Adjustments | -2,292 | -2,313 | -2,330 | -2,330 | -2,330 |
| Contribution to Reserves | 504 | 704 | 520 | 520 | -1,036 |
| Contribution from Reserves for Growth | | -678 | -793 | -508 | -343 |
| Expenditure to be Funded | 10,052 | 10,757 | 9,159 | 9,427 | 9,791 |
| | | | | | |
| Funding | 9,180 | 9,180 | 9,190 | 8,555 | 8,518 |
| | | | | | |
| Gap / Funded from General Fund | 872 | 1,577 | -31 | 872 | 1,273 |

- 4.2 The summary shows higher expenditure than normal this year due to COVID-19 pressures, and funding, even with support and reliefs from the government, being well short and nearly doubling our estimated General Fund gap. For future years a favourable provisional local government settlement for 2021 / 22 closes the funding gap, but then over the following two years funding is in decline while, due to inflation and growth items, expenditure will increase. The result being the budget gap will continue to increase should no changes be made. Chart 1 overleaf illustrates this below.

Chart 1 – Funding vs Expenditure



5. GROWTHS

- 5.1 During the budget review several budget growth items were identified as being required to meet service demand and carry out Council policy. These have been scrutinised by the Strategy and Resources Committee and Finance Working Groups and reduced. The specific details of these are available at **APPENDIX 2** and are summarised in the table below:

Table 2 – Growth Summary

| | 21/22 £000 | 22/23 £000 | 23/24 £000 | Total £000 |
|--|---------------|---------------|---------------|---------------|
| Funded from Reserves (one-offs) | | | | |
| Local Development Scheme 2020-2022 | 410 | 175 | 9 | 594 |
| Local Development Plan Review | 333 | 333 | 334 | 1,000 |
| Digitisation Project | 50 | 0 | 0 | 50 |
| Reserves Funded Total | 793 | 508 | 343 | 1,644 |
| | | | | |
| Funded from Annual Budgets | | | | |
| Service Delivery Staffing | 160 | 77 | 77 | 314 |
| Process Improvement Staff | 93 | 93 | 93 | 279 |
| System Improvements | 48 | 43 | 43 | 134 |
| Annual Budget Total | 301 | 213 | 213 | 727 |
| | | | | |
| Grand Total | 1,094 | 721 | 556 | 2,371 |

6. RISKS FROM COVID-19

- 6.1 The pandemic has created challenges for financial forecasting, due to the uncertainty involved. The impact will continue in future years and assumptions have been made regarding what this might be although (due to the uncertainty) excluded from table 1.

Table 3 – Risks from COVID-19 in Future Years

| Risk Areas | Possible Monetary Impacts | | | Assumptions |
|-------------------------------|---------------------------|-----------------|-----------------|--|
| | 2021/22 £000 | 2022/23 £000 | 2023/24 £000 | |
| Leisure Centre Management Fee | 486 | 414 | 222 | No management fee in 2021 / 22, £72,000 the next year and £264,000 the year after. |
| Town Centre Car Parking | 225 | 225 | 225 | A sustained reduction of 25% in demand due to changing habits. |
| Splash Park and Beach Huts | 146 | 0 | 0 | Matches 2020 / 21 in 2021 / 22 then returns to pre-COVID levels. |
| Income from Other Events | 96 | 0 | 0 | Matches 2020 / 21 in 2021 / 22 then returns to pre-COVID levels. |
| Council Tax Sharing Agreement | 69 | 69 | 35 | Council tax collections remains at 2020 / 21 forecast levels and starts to recover in 2023 / 24. |
| Total | 1,022 | 708 | 482 | |

- 6.2 The Government has promised to extend the Income Compensation scheme for the first quarter of 2021 / 22 but it is unclear what additional support may be provided by the government beyond that. We have not budgeted for the above risks as there is too much uncertainty around the UK getting on top of the coronavirus.
- 6.3 However, in the provisional local government settlement the following two grants were announced which we propose to keep aside as a COVID-19 contingency:
- COVID-19 Funding, £306,149
 - Lower Tier Services Grant, £65,264.

7. GENERAL FUND

- 7.1 When the assumed COVID-19 pressures in section 7 are combined with the pension adjustment in section 8 and the forecast in section 4 there is a significant impact on the general fund balance. However, there is a high level of uncertainty around these figures and ongoing government support, which hasn't been factored in. e.g. the current national lockdown.

Table 4 – Projected General Fund Balance

| | 20/21 £000s | 21/22 £000 | 22/23 £000 | 23/24 £000 |
|-------------------------------------|------------------------|-----------------------|-----------------------|-----------------------|
| Opening General Fund Balance | 5,481 | 3,904 | 3,935 | 3,063 |
| Budget Gap (Table 1) | -1,577 | 31 | -872 | -1,273 |
| Closing General Fund Balance | 3,904 | 3,935 | 3,063 | 1,790 |

- 7.2 The projections in the above table show that next year the balance would fall below the recommended minimum of £2.6m by 2023 / 24. However, these figures could still be heavily impacted by COVID-19 pressures if they continue beyond this financial year.

8. CONCLUSION

- 8.1 Medium-Term financial planning is an important component of the Council's strategic planning framework. No more so than in the current uncertain economic climate due to the global pandemic, the still unknown implications of Brexit and ongoing unprecedented financial pressures and constraints in the public sector. Key financial decisions need to be set in the context of a plan that looks beyond the next financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are limited in what they can achieve.

9. IMPACT ON CORPORATE GOALS

- 9.1 The Medium-Term Financial Strategy (MTFS) provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost-effective services across the District. Through the effective development and delivery of the Council's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.

10. IMPLICATIONS

- (i) **Impact on Customers** – None arising directly from this report.
- (ii) **Impact on Equalities** – None arising directly from this report.
- (iii) **Impact on Risk** – The risks to the Council in respect of the available forecast resource envelope over the medium term are discussed at **APPENDIX 1**.
- (iv) **Impact on Resources (financial)** – The financial implications are set out in this report.
- (v) **Impact on Resources (human)** – None arising directly from this report.
- (vi) **Impact on the Environment** – None arising directly from this report.

Background Papers:

MTFS to the Council 13 February 2020;

MTFS Update to the Council 16 July 2020.

MTFS Update to the Strategy and Resources Committee 19 November 2020.

Enquiries to: Lance Porteous, Lead Specialist Finance, (email: lance.porteous@maldon.gov.uk).

**MALDON DISTRICT COUNCIL
MEDIUM TERM FINANCIAL STRATEGY**

2021/22 TO 2023/24

(NOVEMBER 2020)



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1 INTRODUCTION

- 1.1 Medium term financial planning is an important component of the Council's strategic planning framework. Key financial decisions need to be set in the context of a plan that looks beyond the current financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are limited in what they can achieve.
- 1.2 The Medium-Term Financial Strategy (MTFS) provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost-effective services across the District. Through the effective development and delivery of the Council's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.
- 1.3 The medium-term financial planning process is an established part of the budget setting and financial review processes. It sets out a forecast of the cost of continuing provision of existing levels of service and the resources that are likely to be available to the Council over the period. It identifies any shortfalls and sets out how this will be managed. This document is reviewed at least annually; regular review and update is essential to ensure the MTFS takes full account of any changes in the Council's aspirations, strategic and service delivery priorities, changes in government legislation, financial regulation and funding streams and the general socio/economic environment that the Council operates in.
- 1.4 This MTFS reviews how the Council will manage its revenue finances up to 2023/24 and covers a five-year capital programme. The MTFS supports the delivery of the Council's 32 outcomes as set out in the Council's Corporate Plan 2019-23 and delivered and measured through the three strategic themes of Place; Community; Prosperity.
- 1.5 Underpinning the Corporate Plan are the individual service plans and several other key strategies and plans as set out below. In each case, these set out the detail of how the Council will achieve its objectives and the relevant milestones that will measure progress under the thematic strategies of Place; Community; Prosperity.
 - Information Technology Strategy
 - Workforce Development Strategy
 - Procurement Strategy
 - Risk Management Strategy
 - Treasury Management Strategy
 - Investment Strategy
 - Capital Strategy

The base position for this MTFS is the current 2020/21 budget. The development of the 2020/21 budget took place within the context of a longer term strategic and resource planning process. It took account of the latest settlement data and the uncertain economic climate. However, it did not take into account the impact of the Coronavirus Pandemic, as it was completed before the outbreak and subsequent social distancing measures imposed by the Government in March 2020.

- 1.6 Those reports concluded that the Council's future financial outlook was forecast to be more challenging over the next few years, because of continuing financial constraints in the public sector and the continued high expectation of public service delivery from the public. Council agreed on 9 August 2018 the Future Model Transformation Programme to achieve the required savings of £1.89m by 2022/23 when compared to the 2018/19 net budget. These already challenging financial targets have become significantly more challenging with the arrival of the pandemic.

2 OBJECTIVES

- 2.1 The objectives of this updated Medium-Term Financial Strategy are:

- To ensure outcomes and priorities identified in the Corporate Plan inform the MTFS including importance, timing and financial implications, and reconsider them in the light of emergency measures required due to the pandemic
- To provide updated projections of spending, including spending pressures and income; and set expectations on council tax increases, over the next three years
- To provide projections for our investment in assets, (our capital expenditure) and its impact on general day to day revenue spending
- To test sensitivity of, and apply risk analysis, to projections.
- To provide a framework for consultation with the public and partners about our service priorities and resources allocated to them.

3 VISION FOR MALDON

- 3.1 The MTFS aims to support the Council's overall vision for the District:

“Sustainable Council – Prosperous Future.”

4 LOCAL CONTEXT

- 4.1 The Maldon District covers some 138 square miles and has a resident population of some 61,600 (2011 Census). With one of the lowest population densities in Essex, the District offers a wide range of residential properties, from period country cottages to brand new executive homes.

- 5 Maldon is an attractive and predominantly rural district. It retains an unspoilt nature and its own special character, forged largely by the principal waterways of the Blackwater and Crouch estuaries. Much of the District's 60 miles of coastline of tidal salt marshes and mudflats is recognised as of international and national environmental significance and protected as such.

MALDON DISTRICT COUNCIL CORPORATE PLAN

- 5.1 The Corporate Plan 2019-23 identifies all local and many national priorities.
- 5.2 The Corporate Plan will be delivered through three thematic strategies – Place, Community and Prosperity. The three thematic strategies are underpinned by a focus on ‘Performance and Value’ with the aim of providing:
- excellent services and value for money; and
 - becoming a financially independent and sustainable Council in the future.
- 5.3 The aims of the thematic strategies are:
- Place:**
- A protected and improved environment for residents and visitors;
 - Sustainable growth and new infrastructure in the District
- Community:**
- Healthy, safe and vibrant communities
- Prosperity:**
- Local businesses are supported and new ones are attracted into the District
- 5.4 The three thematic strategies have the detailed outcomes and impacts that the Council is seeking to achieve over the period of the Corporate Plan.
- 5.5 The Workforce Strategy sets out the key priorities for improving the way in which the Council manages its workforce to achieve the corporate targets. Our greatest asset is our employees and we must have committed skilled and empowered employees to provide the best possible service standards to the residents of the District. The Council’s new organisational structure, which went fully live from November 2019 as a result of the Future Model Transformation Programme, will deliver this aim.
- 5.6 The MTFS therefore provides the resource strategy required to deliver the priorities and outcomes set out in the Corporate Plan through the three thematic strategies.

6 ECONOMIC OUTLOOK

- 6.1 Due to the impact of Coronavirus, HM Treasury's economic outlook as released in the Forecasts for the UK Economy Report, December 2020, is understandably more pessimistic than the Chancellor's economic outlook as announced in Spring Statement in March 2019 and is shown in the table below. The 2020 growth of -10.9% reflects the plummeting of economic growth by 20.4% during lockdown and then approximately half of this being recovered during the remainder of the year. This is now expected to be followed by a continued yet incomplete recovery during 2021. HM Treasury have not forecast beyond 2021.

| Year | Economic Growth (GDP) | |
|------|----------------------------|--------------------------------|
| | Chancellor (March 2019) | HM Treasury (December 2020) |
| 2018 | 1.4% | 1.4% |
| 2019 | 1.2% | 1.2% |
| 2020 | 1.4% | -10.9% |
| 2021 | 1.6% | 5.4% |
| 2022 | 1.6% | N/A |
| 2023 | 1.6% | N/A |

- 6.2 The change of forecasts for the Consumer Prices Index (CPI¹) are shown below:

| Year | CPI (% change) | |
|------|----------------------------|--------------------------------|
| | Chancellor (March 2019) | HM Treasury (December 2020) |
| 2018 | 2.5% | 2.5% |
| 2019 | 2.1% | 2.1% |
| 2020 | 1.9% | 0.7% |
| 2021 | 2.0% | 1.9% |
| 2022 | 2.0% | N/A |
| 2023 | 2.0% | N/A |

- 6.3 In the medium term, the CPI inflation is forecast to be at or below the Bank of England's target of 2%. It is important to note that the Council's major contracts are linked to CPI as an inflationary increase with others linked to RPI. It is likely that the contractual inflation will see an increase in the council's costs in the medium term based on the forecasts.

¹ Chancellor's Spring Statement – March 2019

- 6.4 The Bank of England base rate was increased for the first time since 2009 in November 2017 to 0.50% from 0.25% and a further 0.25% to 0.75% in August 2018. The low levels have had a major impact on the Council's investment income. The Council is diversifying its investment portfolio to benefit from higher returns but at all times giving due regard to the security and liquidity of its funds over yields/returns. Since the MTFs reported in February 2020, the Bank of England has decreased its base rate. First down to 0.5% and then to 0.1%, due to corona virus. The interest base rate is expected to remain at this level for the foreseeable future.

7 GENERAL FUND REVENUE BUDGET

Financial Context

- 7.1 The development of the 2020/21 to 2023/24 Medium Term Financial Strategy took place at a time which continued to be one of the most challenging periods for Local Government. This MTFs for the period 2021/22 to 2023/24 has since become even more challenging with the onset of Coronavirus.
- 7.2 Ten years of austerity measures have led to unprecedented reductions in local authority funding. The public sector and the local government sector are under increasing and relentless pressures in respect of funding for adult social care and children's services and a significant shift of resources is taking place from non-social care authorities such as Maldon to social care authorities. Funding pressures for mental health services has also been in the news recently. Additionally, the government is progressing preparations for changing the local government finance system. All this before the financial impact of the pandemic.

Local government is transitioning away from a world where councils were dependent on central government grants and towards greater self-sufficiency.

The 2021/22 Provision Local Government Financial Settlement was published on 17 December 2020. The result was that Maldon District Council will not receive any Revenue Support Grant but its Business Rates Pool (consisting of the Essex Councils) will retain 50% of Business Rates collected. The final 2021/22 settlement is not expected until February 2021.

Risks and Opportunities

7.3 This section highlights the risks and opportunities facing the Council in the medium term.

- Demographic
- External Income
- Inflation
- Service Demand
- Business Rates Retention
- Other Developments
- Fairer Funding Review

Demographic

7.4 Demographic factors affect the Council's planning in several ways:

- Changes in the number of households affect the tax base for Council Tax purposes, and hence the total amount which will be raised from this source
- The characteristics of both population and households can help identify specific implications for the type and nature of many services provided by the Council
- All the above factors affect the level of demand for, and use of, services provided by the Council

7.5 The total population in Maldon, according to the 2014 based ONS Sub-national population projections, is projected to grow by 12%, 7,000 more people by 2039.

External Income

7.6 The Council relies on several external income sources. During the past few years, the economic downturn had an adverse impact on some income streams.

Several income streams to the council are at risk whereby they can be reducing year on year or subject to significant variances between years. The reasons for these are mainly outside the direct control of the Council such as macro-economic and/or seasonal conditions. These income streams are principally, from development control, building control, land charges, leisure and car parking related such as from the Splash Park and Promenade Park.

The garden waste collection service is now a significant source of income to the Council which goes to support the costs of providing the overall waste collection function, the costs of which are increasing with the growth of housing in the District.

Historically a key income stream for the council has been the income generated from investment of cash balances. The low interest rate has seen a large reduction in this income in recent years. Every 0.5% of movement in interest rates is equivalent to approximately £140k in income; however, the actual interest earned is also dependant on the level of free cash flow balances during the year.

The Council has a policy to maximise income from existing and new fees and charges where possible and practicable.

The recent social distancing measures imposed by Central Government and reduction of base interest rates by the Bank of England have had a significant adverse effect on these external income sources.

Inflation

- 7.7 The financial impact of a 2% movement in pay inflation represents around a £0.149m change in the general fund employee budget. A 2% uplift was built into the pay inflation. This was increased to 2.75% from 1 April 2020 based on the increase in cost of living, but pay inflation is estimated to return to 2% for 2021/22 onwards.
- 7.8 For the 2021/22 budget setting process, the contract prices have been uplifted by appropriate indices as stated in the conditions of the contracts. The financial impact of a 1% movement in contractual inflation is £0.093m. No inflationary increase has been applied to the general services budget, except known specific items such as utilities.
- 7.9 For future years, the projection assumes an overall averaged inflation rate of around 0.7% for 2021/22 based on CPI and 2% in each year thereafter.

Service demand

- 7.10 Under the current economic climate the pressure on the Council to deliver services within a constrained financial base remains high compared to historic levels. There is also an imposed demand by Central Government on local authorities to take a major part in revitalising the local economy whilst, at the same time, bearing a significant part of the government's overall austerity measures, via reduced funding.

- 7.11 While there has been a recent massive fall in UK growth, economic forecasts show a recovery, although the pandemic is slowing this recovery significantly. However, the increase in the demand on our services, coupled with the loss of external income, will restrict the Council's ability to make radical improvements to our discretionary services.

2021/22 Provisional Local Government Finance Settlement

- 7.13 The provisional 2021/22 LGFS was announced on 17 December 2020. The table below shows Maldon's final settlement for 2021/22. The final settlement for 2021/22 and future years is expected to be announced in February 2021.

| Local Government Financial Settlement 2017/18 to 2021/22 | 2018/19 Final LGFS £m | 2019/20 Final LGFS £m | 2020/21 Final LGFS £m | 2021/22 Provisional LGFS £m |
|--|--|--|--|--|
| Settlement Funding Assessment of which: | 1.474 | 1.508 | 1.532 | 1.532 |
| Revenue Support Grant (RSG) | - | - | - | - |
| Baseline Funding Level (Business Rates) | 1.474 | 1.508 | 1.532 | 1.532 |
| Tariff/Top-up Adjustment | - | - | - | - |
| Annual Change (%) | -7.9% | 2.3% | 1.6% | 0.0% |
| Cumulative Change (%) | -25.0% | -23.2% | -22.0% | -22.00% |
| New Homes Bonus – MHCLG | 0.696 | 0.832 | 0.898 | 0.929 |
| Compensation for under indexing the Business Rates multiplier | 0.034 | 0.049 | 0.061 | 0.080 |
| Rural Services Delivery Grant | 0.031 | 0.031 | 0.031 | 0.032 |
| Transition Grant | - | - | - | - |
| COVID-19 Funding | - | - | - | 0.306 |
| Local Council Tax Support Grant | - | - | - | 0.088 |
| Lower Tier Services Grant | - | - | - | 0.065 |
| Council Tax Requirement excluding parish precepts (incl. base growth and levels increasing by CPI) | 4.635 | 4.809 | 4.982 | 5.152 |
| Potential additional Council Tax from £5 referendum principle for all Districts | 0.034 | 0.035 | 0.062 | 0.024 |
| Total Core Spending Power | 6.904 | 7.264 | 7.566 | 8.208 |
| Change since 2018/19 (£ million) | | | | 1.304 |
| Change since 2018/19 (% change) | | | | 18.9% |

- 7.14 Over the period of the previous Spending Review the government used a new methodology to determine authorities' Revenue Support Grant (RSG) allocations. Rather than applying the same percentage cut to all authorities, the new approach considers individual authorities' council tax raising ability and the type of services they provide. The change in methodology has led to a fundamental shift of resources from authorities such as Maldon.

New Homes Bonus Scheme

- 7.15 The New Homes Bonus Scheme (NHBS) was introduced in 2011/12 to encourage local authorities to facilitate housing growth. For every additional property built or brought back into use, the government match funds the additional council tax, with an additional amount for affordable homes, for the following six years. The grant is not ring-fenced and is split 80% to the lower tier and 20% to the upper tier. Previous changes to the NHBS were the introduction of a baseline housing growth of 0.4% before NHBS would be payable and a reduction in duration of legacy payments from the six years to five years and to four years. The government has announced a consultation on the future of the NHB in 2021/22. The Council will continue to receive legacy payments for previous years of £0.418m in 2021/22 and £0.198m in 2022/23. However, in the 2021/22 Provision LGFS the government has announced a further one-off NHB payment of £0.512. In 2018/19 the Council decided to reduce its reliance to support the General Fund expenditure from the NHB. Therefore, since then only legacy payments received have been utilised to support the General Fund budget. A NHB reserve was established which by the start of the financial year 2021/22 will total £1.3m.

Pension

- 7.17 Maldon District Council employees are eligible to be members of the Local Government Pension Scheme (LGPS), for which the Government sets the terms and conditions nationally. This is a statutory condition of employment available to all local government employees. Essex County Council is the administering authority of the LGPS in Essex. In accordance with statutory requirements the Essex Pension Fund, of which this Council is a member, was actuarially valued as at 31 March 2019 as part of the triennial valuation cycle.
- 7.18 The 2019 Valuation shows that there has been a decrease in the Council's deficit position by 35% to £5.318m. This means that the funding level of the Council's element of the Fund will have increased from 81.7% in 2016 to 90.2% in 2019. Funding levels are taken as the

ratio of assets to liabilities. In general, for the 2019 valuation, funding levels have increased due to:

- Salary increases being lower than expected
- Investment returns have been better than expected
- Deficit contributions paid by the Council to the Fund

The recovery period for the deficit was reduced from 15 years, set at the 2016 Valuation, to 12 years or less in the 2019 Valuation, depending on the individual circumstances of the Council. The effects of the pandemic on the Pension Fund are yet to be determined.

- 7.19 The 2019 Valuation showed an increase in the employer's ongoing contribution from 15.9% of pensionable pay to 19.9% of pensionable pay (£221k). Whilst the recovery of deficits covers up to a date, an ongoing contribution rate is also needed to obtain the level of contributions required to meet the cost of new pension benefits and this is usually based on the same assumptions as are used for the deficit.
- 7.20 Automatic Enrolment has been established by the Government as a requirement for employers to provide a pension scheme for employees. The Local Government Pension Scheme (LGPS) is a qualifying scheme for the purposes of Automatic Enrolment within the terms set out by the Pension Regulator.
- 7.21 The Pensions Act 2008 includes a duty on employers to automatically enrol their eligible jobholders into a workplace pension scheme that meets certain requirements and provide a minimum employer contribution. From early 2014, the Council must have:
- Enrolled any new employees into the qualifying approved scheme;
 - Enrolled any employees who are not a member of the scheme but reach the age of 22; and
 - Enrolled any employee who is passing the rate of salary to £9,440 per annum for the first time
- 7.22 It should be noted the employee can still choose to opt out of the scheme, but the Council must not mention any option of how to opt out of the scheme during enrolment as it could be seen as an inducement not to join the scheme and could expose the council to a fine from the Pensions Regulator.

Universal Credits

- 7.23 Universal Credit (UC) is being rolled out through the Welfare Reform Bill and this is the biggest shake up of the system for 60 years. UC is an integrated working-age credit that will provide a basic allowance with additional elements for children, disability, housing and caring. It

will support people both in and out of work, replacing Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance. For local authorities, this means the link between Housing Benefit and Council Tax Support will be broken for working age customers and that UC will be administered by the Department of Work and Pensions.

- The digital roll out of Universal Credits for Maldon, using the newer software started in December 2018 for new claims only.
- The precise details of the full transfer date of all claims are yet unclear and the timescales have slipped on several occasions. Claimants affected by Covid-19 will have meant the rate of migration to UC will have increased recently.
- The Council would retain responsibility for Local Council Tax Support, as well as pensioner claims, and some working age claims, even after a full transfer of claims to UC. As such, the Council would retain 70-80% of existing workload even after UC has been fully introduced.

7.24 The transition to UC has had significant implications for local Council and its systems. There will continue to be a reduction in the Housing Benefit Administration Grant going forward, but this may not be proportional to the reduction in the workload or staffing. The financial impact of Universal Credits continues to be monitored on an ongoing basis.

Land Charges (transfer of responsibility to Land Registry)

7.24 The Infrastructure Act 2015 provided for the transfer of some of the Land Charges responsibilities from local authorities to the Land Registry. The implications for the Council are:

- Loss of local land charges income
- Incurring on-going costs for the supply of standardised accurate information related to local land charges to Land Registry to keep the register updated.
- Legal liability will rest with Local Authorities for any inaccurate information provided
- Transfer requires digital and business transformation
- Local authorities will continue to provide Con 29 searches

7.25 The timing of the transfer is still not confirmed with relevant legislation being required. There is not yet a go live date but MDC making preparations and has put in a growth bid of £50,000 for 2021/22 to fund this.

- 7.26 The financial implication on the land charges transfer continues to be monitored on an ongoing basis.

2021/22 General Fund Budget

- 7.27 As part of the financial planning process, Members examine information provided by officers relating to the level of existing resources. All budget options are considered in the context of current service performance and priorities. Also, all the growth, savings and capital bids have gone through a challenge process, including being reviewed by the newly formed Finance Working Group.

8 RISK MANAGEMENT

- 8.1 Risk Management is a key feature of the Council's financial planning process.
- 8.2 The Council is very aware of the need for effective risk management and considers that the assessment and minimisation of all types of risk to be vital. It has an adopted Risk Management Strategy in place, and the financial risks to the Council are assessed in the context of the Council's overall approach to risk management.
- 8.3 To mitigate risk the Council regularly monitors its budgets. The performance management system is used by the Council to identify, monitor and reports on risks. Regular reporting of the Corporate Risks, financial and non-financial performance occurs on at least a quarterly basis to the Corporate Leadership Team and the Performance, Governance and Audit Committee, and is programmed in the annual timetable.
- 8.4 The table below summarises the financial implications if assumptions made in the MTFS change in the future. This gives some indications to the kind of risks which need to be allowed for in considering the level of reserves in future years.

| Estimated Financial Impact | | | |
|--------------------------------------|----------------|----------------|----------------|
| Sensitivity Scenario | 2021/22 | 2022/23 | 2023/24 |
| | £m | £m | £m |
| Inflation - Pay award 1% higher than | 0.078 | 0.079 | 0.079 |

| | | | |
|--|--------|--------|--------|
| assumed | | | |
| Other Inflation - 1% higher than assumed | 0.064 | 0.065 | 0.067 |
| Average investment interest rate - 0.5% lower than assumed (ave £21m invested) | -0.105 | -0.105 | -0.105 |
| Council Tax Collection - 1% lower than assumed | -0.052 | -0.053 | -0.055 |
| NNDR Collection - 1% lower than assumed | -0.030 | -0.030 | -0.030 |
| Net Operating Expenditure - 1% overspent | 0.916 | 0.943 | 0.979 |

9 COUNCIL TAX

Council Tax

9.1 It is important to note that the Council has limited income generated from council tax. As shown in paragraph 8.4, for every 1% increase in the average Band D council tax; an additional £0.052m of income is raised. The MTFS allows an increase in the Basic Amount of Council Tax of £5 for 2021/22 and subsequently 1.99% for the rest of the MTFS period in accordance with Council Tax Referendum Principles.

Tax base for Council tax setting

9.2 The tax base for council tax setting assumed in the MTFS is shown below:

| Year | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--------------------------|------------|-----------|-----------|-----------|
| | Calculated | Projected | Projected | Projected |
| Band D Equivalent | 25,090.8 | 24,959.9 | 25,159.9 | 25,359.9 |

9.3 Using past trends together with information on already approved and likely future planning applications, projected housing growth has been used to forecast the council tax-base for the period of the MTFS. The tax-base forecast has been arrived at by considering the completion dates of the strategic housing developments in the District.

9.4 A copy of the medium-term financial forecast on the general fund is attached at Appendix A.

10 VALUE FOR MONEY AND EFFICIENCY

- 10.1 Value for Money (VFM) is an assessment of whether we obtain the maximum benefit from the goods and services we both acquire and provide, within the resources available to achieve it. This assessment includes considerations about suitability, quality, whole life costs and the relationship between economy, efficiency and effectiveness.
- 10.2 Value for money remains an integral part of the external audit opinion. The general feedback was that the council had consolidated previous improvements and demonstrates good value for money across services.
- 10.3 A key part of the Council's ethos is its focus on achieving efficiencies. This is a main driver during the budget and planning process; ensuring resources are directed in the appropriate areas and is embedded across the whole authority. Services are monitored and reviewed for efficiencies with a view to identify where savings and or productivity gains can be made. The Council is committed to delivering efficiencies to drive costs down and maintain or improve services.

Finding efficiencies year on year to deliver a balanced budget and invest in services is a significant challenge. The Council commenced the implementation of the Future Model Transformation Programme in August 2018 to achieve savings and additional income totalling £1.89m by the end of the financial year 2022/23. Of this £1m has been achieved from the salaries cost by reducing the establishment headcount from 219.5 FTE to 181.5 FTE with a new salary structure.

The Transformation Programme included, but was not limited to, the following considerations:

- Alternative delivery model of our services - where practicable and where there was a financial business case to do so
- Effective use of assets – challenging the asset base and the use of assets, and looking to manage and plan maintenance in the most effective way
- Working in partnership with both private and public bodies to improve quality and scope of service and reduce costs.
- Improving efficiency where possible - but the scale of the financial constraint will almost certainly require considerations on the number and levels of services that the Council provides.
- Exploring new areas of income generation and adopting the 'commercial council' approach
- Smarter procurement processes and ways of working.

- The Council uses several service review methods to identify efficiency savings, for example, best value reviews, benchmarking performance with other authorities, testing costs in a range of alternative service delivery options.

11 INCOME GENERATION

Forecasting Income

- 11.1 This section covers the income from fees and charges.

Policy on Fees and Charges

- 11.2 The Council has looked to maximise the potential from fees and charges. A significant proportion of its income comes from fees and charges and a balance must be struck between meeting statutory responsibilities and the subsidy on providing discretionary services. The Council takes the view that raising charges to recover part or all the costs of providing is preferable to removing the service completely. Charges are set after considering local circumstances and the user's ability to pay. The Council's fees and charges will normally increase at least in line with inflation or, where appropriate statutory defined, fees and charges increase. Increased or reduced income due to volume changes, or charge proposals above or below inflation, are addressed through the budget setting process.
- 11.3 The full list of fees and charges is shown in the Discretionary Fees and Charges 2021/22 report to Strategy & Resources Committee on 28 January 2021 and the Council on 23 February 2021.
- 11.4 The Council's longer-term policy has three fundamental principles:
- Services should raise income wherever there is a power or duty to do so.
 - The income raised should cover the full costs of providing the service including all overheads.
 - Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.
- 11.5 When the Council does not raise income in areas where it has the power to do so, it foregoes the opportunity to raise money to improve services and leaves less money available for spending on high priority services.

A decision to forego income or to subsidise a service is a policy decision about resources as significant as any decision made in the budget setting process especially since the Council is expected to be become more self-sufficient. The cost will eventually fall on the council taxpayer if the service is to be protected to any extent.

- 11.6 Although volumes of transactions incurring Fees and Charges are affected by Covid 19, the policies themselves are not anticipated to be altered. The Fees and Charges Policy is reported to Strategy & Resources Committee and Council separately to the MTFS.

Income and Debt Management

- 11.7 The Council has a good history of debt collection. The Council continues to build on this to maximise income received and minimise income written off. Monitoring information has been enhanced to provide information on evaluating the effectiveness of debt recovery actions, associated costs, and the cost of not recovering debt promptly.

12 USE OF RESERVES

- 12.1 The minimum General Fund Reserve is set at £2.6m. A minimum level is intended to allow sufficient resources to respond to un-forecast events such as Coronavirus, however even during this pandemic we aim to maintain this minimum reserve as far as possible.
- 12.2 Risks to the Council's financial position could derive potentially from a budget overspend due to higher than budgeted expenditure or lower than budgeted income or a combination of both, loss of investment income, contractual/legislative failure or challenging/emergency events. Historically, the Council has had a very good record of outturn financial position being within budget and of predicting investment income well so hasn't had to make additional significant provision. However, Covid-19 has brought about an unprecedented emergency response from the Council, which will test its reserves if Central Government do not reimburse MDC for its losses. The Reserves Table in paragraph 12.4 shows that the General Fund Reserve will fall below the minimum level in 2023,24 without the use of earmarked reserves or additional government funding.
- 12.3 Equally, it is important that the use of reserves is not increasing year on year, creating an unsustainable future problem. Normally, it is a Council goal to meet the budget gap by making savings.
- 12.4 A summary of the proposed use of reserves is shown in the table below and is based on a budget projection that includes Covid-19 pressures, other pressures, aspects such as inflation, further salary increase, pension fund contributions and savings identified.

It is worth noting that the financial impact of Coronavirus is not as great as reported in July as further reliefs have since been announced by the Government, some of which have already been received, but is still significant, as shown in the table below.

*Reported £872k plus £759k impact due to Covid-19 less net £54k improvement in position.

| Predicted General Fund Balance Movement | Revised 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--|------------------------|----------------|----------------|----------------|
| | £000 | £000 | £000 | £000 |
| Balance b/f | | | | |
| General Fund Reserves | 5,481 | 3,904 | 3,935 | 3,063 |
| Earmarked Reserves | 4,151 | 4,003 | 3,730 | 3,742 |
| Total | 9,632 | 7,907 | 7,665 | 6,805 |
| Projected Movement | | | | |
| General Fund Reserves | -1,577* | 31 | -872 | -1,273 |
| Earmarked Reserves | -148 | -273 | 12 | -1,383 |
| Total | -1,725 | -242 | -860 | -2,656 |
| Balance c/f | | | | |
| General Fund Reserves | 3,904 | 3,935 | 3,063 | 1,790 |
| Earmarked Reserves | 4,003 | 3,730 | 3,742 | 2,359 |
| Total | 7,907 | 7,665 | 6,805 | 4,149 |

13 CAPITAL

Capital spend and funding

- 13.1 The Council's Capital Programme is agreed on an annual basis and serves the following purposes:
- It sets out how capital projects contribute to the achievement of the Council's corporate objectives.
 - It establishes the criteria for the allocation of capital resources.
 - It provides a framework for the administration of capital projects and monitoring of outcomes.
- 13.2 It is important to note that all capital investment and disposal decisions have been made with reference to the strategic objectives.
- 13.3 The Council's capital programme has in general always been funded using capital receipts, external contributions or from capital grants and the current five-year capital programme is underpinned mainly by capital receipts.
- 13.4 The programmes for 2021/22 to 2025/26 have been set in detail, any schemes above this level would need to seek alternate external funds or new capital receipts from the sale of assets. However, it should be noted that the diminishing levels of capital receipts in future years would warrant a comprehensive review of the way the capital

programme is supported in the long term. The indicative five-year capital programme as shown would cost the Capital Receipts Reserve a total of £1.377m. The Capital Receipts Reserve will be £1.740m from 1 April 2021 meaning more capital receipts may be required for the capital programme to continue beyond 31 March 2026. It should be noted that the capital programme for 2021/22 to 2025/26 has been developed by Officers and the Finance Working Group, and bids for asset acquisitions and improvements are being considered by the Strategy & Resources Committee. Therefore, the use of capital receipts will change over the period and may be required sooner.

- 13.5 Although the Capital Projects report is a separate report to Strategy & Resources Committee, a summary of the programme and funding is given at Appendix B.

Revenue implications of capital programme

- 13.6 The key driver for the Council's approach to capital expenditure is revenue affordability.
- 13.7 Most Capital Projects have financial implications on the annual Revenue Budget. The revenue implications can take a variety of forms and they include:
- Capital financing costs
 - Loss of investment income
 - Annual non-capital financing costs, e.g.
 - Salaries
 - Rent
 - Rates
 - Energy costs
 - On-going maintenance costs
 - Income generated from the scheme or project
- 13.8 The revenue implications of the previously approved capital programme have been built into this MTFS. For the proposed future capital programme, there are no revenue implications for 2021/22 and any revenue implications beyond that will be built in upon approval.
- 13.9 However, there have been new maintenance issues identified relating to the existing capital assets. These are known as Repairs & Renewals, some of which are essential to avoid service failure and others are to improve service levels. A list of bids for these works are set out at **APPENDIX 3** to the report.

Members need to be aware that 2021/22 repairs and renewals bids recommended by the Finance Working Group total £128k with £217k further bids to be considered during 2021/22, but there is currently only £203k in the repairs and renewals earmarked reserves. Therefore, the approved 2021/22 repairs and renewal work will not draw down

from this reserve at this stage. This will allow the reserves to cover any emergency repairs and renewals that may emerge.

14 TREASURY MANAGEMENT LINKS WITH FINANCIAL STRATEGY

- 14.1 The Council will continue to invest in accordance with the approved Treasury Management Strategy and will plan any consideration of borrowing closely through the MTFS and five-year Capital Budget.
- 14.2 Investment income is used to support the budgets of the authority and movements in interest rates can result in significant changes. Since the MTFS reported in February 2020, the Bank of England has decreased its base rate down to 0.1%, following the arrival of Coronavirus in the UK. This is expected to reduce MDC's investment income by more than 50% for the foreseeable future.

15 EQUALITY IMPACT ASSESSMENTS (EIA)

- 15.1 The council is committed to ensuring equality and diversity issues are given proper consideration. Equality Impact Assessments form an important part of our decision making to enable us to assess the impact of decisions on our residents, stakeholders and customers. Where the impact is high mitigation plans can be developed to reduce that impact of decisions. These are completed in accordance with national guidance and best practice.

16 CONCLUSION

- 16.1 The MTFS should be considered in the context of the following issues:
- The impact of Covid-19 since government and local measures were imposed from March 2020, many of which will remain in place for many months to come.
 - The unprecedented reductions to local government funding since the 2010 Comprehensive Spending Review.
 - The Council's current satisfactory financial strength as shown by the General Fund reserves, robust financial management and excellent track record in achieving efficiency savings.
 - That challenging decisions will still need to be made to safeguard frontline services and maintain a balanced budget together with an adequate level of General Fund reserves.
 - That the Usable Capital Receipts Reserve will be fully utilised over the MTFS period but bearing in mind the comment in paragraph 13.4 above.

- 16.2 The financial position over the medium term is shown in Appendix A. This also shows that the level of General Fund un-ringfenced reserves is not expected to remain above the minimum level of balance of £2.6m over the medium term to 31 March 2024. This needs to be considered in the context that for 2021/22 – 2023/24 budget estimates have been constructed with great economic uncertainty, high level assumptions and the detailed work will be undertaken in line with the Council's budget cycle timetable for those years and taking into account the further government grants announced at the time.

List of Appendices

Appendix A sets out medium term projections for the General Fund (below)

Appendix B sets out the medium-term projections for Capital (below)

Appendix C shows the Policy on reserves and balances (below)

APPENDIX 2 shows the a of proposed Budget Growth items 2021/22 to 2023/24 (separate document)

APPENDIX 3 shows a list of proposed Repairs and Renewals items 2021/22 to 2023/24 (separate document)

Appendix A - Medium Term Financial Strategy 2021/22 - 2023/24

| | 2021/22 £000 | 2022/23 £000 | 2023/24 £000 |
|--|-------------------------|-------------------------|-------------------------|
| Prior Year Net Expenditure Before Reserves | 9,945 | 11,895 | 11,878 |
| | | | |
| Pension Fund Statutory Adjustment | 242 | | |
| Car Parking Fees | | | |
| Other fees and charges | | | |
| Staff Inflation | 215 | 155 | 158 |
| Non-Staff inflation | 110 | 201 | 206 |
| <i>Pressures:</i> | | | |
| Reversal of Prior Year Growth | -100 | | |
| Unachievable Savings | 133 | | |
| Increase in external audit fees | 50 | | |
| Reduced recycling income | 20 | | |
| Reduction in HB Admin Grant | 20 | | |
| Town Centre Car Parks card processing fee | 19 | | |
| Electronic Payment Processing Fees | 14 | | |
| Recycling sacks Food | 5 | | |
| <i>Repairs & Renewals:</i> | | | |
| Prom Park Galleon | 15 | | |
| Boat lake decking replacement | 20 | | |
| Replacement power unit / board in the plant room | 15 | | |
| District Parks - replacement steps | 18 | | |
| Replacement fencing works at parks & playsites at Riverside Park | 20 | | |
| Playsite sand / bark top ups | 20 | | |
| Memorial Safety | 20 | | |
| <i>Growth Items:</i> | | | |
| Safeguarding System | 3 | | |
| Emergency Planning System | 4 | | |
| Toilet cleaning contract | 5 | -5 | |
| Revs and Bens Specialist | 10 | | |
| Housing Register system | 11 | | |
| Public Engagement Software | 25 | | |
| Commercial L1 Caseworker | 27 | | |
| Parks & Countryside Officer | 27 | -27 | |
| Customer, Community and Casework Lead | 50 | | |

| | | | |
|--|---------------|---------------|---------------|
| Project Manager | 56 | -56 | |
| Continue process improvement team | 83 | | |
| <i>Projects Funded from Earmarked Reserves:</i> | | | |
| Land Charges Registry Project | 50 | -50 | |
| Local Development Scheme 2020-2022 | 410 | -235 | -166 |
| LDP Review | 333 | | 1 |
| Net Cost of Services | 11,895 | 11,878 | 12,077 |
| | | | |
| Pension Fund Deficit Contribution | | | 1,556 |
| Investment Income | -133 | -133 | -133 |
| Statutory Adjustments | -2,330 | -2,330 | -2,330 |
| Net Expenditure Before Reserves | 9,432 | 9,415 | 11,170 |
| | | | |
| Contributions to/(from) Earmarked Reserves | -273 | 12 | -1,379 |
| Expenditure to Be Funded | 9,159 | 9,427 | 9,791 |
| | | | |
| Funding | | | |
| New Homes Bonus | -930 | -198 | |
| Rural Services Delivery Grant | -32 | -32 | -32 |
| Renewable Energy | -744 | -758 | -770 |
| Business Rates Baseline Funding | -1,532 | -1,557 | -1,557 |
| Business Rates Growth incl S31 | -1,074 | -1,074 | -1,074 |
| Local Council Tax Support | -88 | | |
| Business Rates levy/benefit | 386 | 386 | 386 |
| CTAX and NDR collection fund (surplus) / deficit | | | |
| Estimated Yield from Council Tax | -5,176 | -5,322 | -5,471 |
| Total Funding | -9,190 | -8,555 | -8,518 |
| Budget Gap | -31 | 872 | 1,273 |
| Potential COVID Pressures: | | | |
| Leisure Centre Management Fee | 486 | 414 | 222 |
| Town Centre Car Parking | 225 | 225 | 225 |
| Promenade Park Events & Activities | 146 | 0 | 0 |
| Income from Other Events | 96 | 0 | 0 |
| Council Tax Sharing Agreement | 69 | 69 | 35 |
| Budget Gap with COVID Pressures | 991 | 1,580 | 1,755 |

Appendix B – Capital Programme

| Capital Programme 2020/21 - 2023/24 | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Project Title | Original | Original | Original | Original | Original |
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Vehicle & Plant Replacement | | | | | |
| Parks Vehicle - Rolling replacement programme | 56 | 22 | 22 | 22 | 22 |
| Cemetery dumper truck | | 18 | | | |
| Information & Communication Technology | | | | | |
| PC and Printer Replacement Programme | 47 | 47 | 47 | 47 | 47 |
| Maldon Promenade | | | | | |
| Installation of outdoor gym equipment / zone | | 15 | | | |
| Wind shelter development | | 100 | | | |
| Blackwater Leisure Centre | | | | | |
| New Car park entrance and drainage works | 25 | | | | |
| Removal and renovation of Jungle river ride | | | 80 | | |
| New sports hall floor | | | 60 | | |
| Parks & open Spaces | | | | | |
| Oaktree Meadow and Orchard Meadow resurfacing improvement | 35 | | | | |
| Riverside Park youth activity site | | 65 | | | |
| Rivers | | | | | |
| River Bailiff Hut into seafood kiosk | | 40 | | | |
| New River Baliff WorkBoat | | | 50 | | |
| Removal old slipway at St Lawrence | 10 | | | | |
| Burnham on crouch Houseboats berth | 120 | | | | |
| Housing | | | | | |
| Mandatory Disabled Facilities Grants | 420 | 420 | 420 | 420 | 420 |
| Cemeteries | | | | | |
| Structural repairs to Burnham Cemetery Chapel | | 150 | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

APPENDIX 1

Maldon District Council Medium Term Financial Strategy 2020/21 to 2023/24

| | | | | | |
|--|------------|------------|------------|------------|------------|
| Sport | | | | | |
| Replacement and update to 5G Carpet - AGP Plume school | | | 80 | | |
| Maldon Town AGP replacement and update carpet | | | | | 150 |
| | | | | | |
| Total Capital Programme | 713 | 877 | 759 | 489 | 639 |
| | | | | | |
| Funding | | | | | |
| Capital Receipts Applied | 293 | 457 | 339 | 69 | 219 |
| Government Grant | 420 | 420 | 420 | 420 | 420 |
| Total Funding | 713 | 877 | 759 | 489 | 639 |

Appendix C – Policy on Reserves and Balances

Purpose

A Policy for Reserve and Balances represents good financial management and should be reviewed annually.

Application

The general principles set out in this Reserves and Balances Policy apply to the General Fund for Maldon District Council. It applies to reserves only and not provisions.

The Existing Legislative/Regulatory Framework

The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

The Local Government Finance Act 1992 and Local Government Act 2003 set out that a range of safeguards to mitigate against local authorities over-committing themselves financially. These include:

- the balanced budget requirement
- Chief Finance Officers' duty to report robustness of estimates and adequacy of reserves when considering the budget requirement.
- Requirement for local authority to make arrangements for proper administration of their financial affairs and that the Chief Finance Officer is that responsible person (section 151 duties)
- the requirements of the prudential code.
- the auditor will consider whether audited bodies have established adequate arrangements to ensure that their financial position is soundly based.

Generally, the balanced budget requirement is sufficient discipline for the majority of local authorities. This requirement is reinforced by section 114 of the Local Government Finance Act 1988 which requires the Chief Finance Officer in England and Wales to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year. The issue of a section 114 notice by the Chief Finance officer cannot be taken lightly and has serious operational implications.

The prudential code requires chief finance officers to have full regard to affordability when making recommendations about future capital programmes.

Guidance on specific levels of reserves and balances is not given in statute or by CIPFA (the recognised accountancy body for local government finance). There is no statutory minimum level of reserves. It is up to local authorities themselves to set their own level of reserves and balances on the advice of the Chief Finance Officer.

The Role of the Section 151 Officer

Within the existing statutory and regulatory framework, it is the responsibility of Section 151 Officer to advise the Council about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use.

The Council then, acting on and giving due regard to the advice of the Section 151 Officer must make its own judgements on the level of reserves and balances taking into account all the relevant local circumstances. These include the operational and financial risks, and the arrangements in place to manage them, including adequate and effective systems of internal control. The duties of the Chief Finance Officer in relation to the level of reserves are covered by the legislative framework described in 3 above. Under the Local Government Act 2003, the Chief Finance Officer must report to the Council on the adequacy of reserves (section 27) and reserve transactions must be taken account of within the required budget monitoring arrangements (section 28).

Types of Reserves

Reserves can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The Council also holds other reserves that arise out of the interaction of legislation and proper accounting practice. These reserves are not resource backed and cannot be used for other purposes include:

- a Pensions Reserve (required under IAS19). This is a specific accounting mechanism used to recognise the Council's share of pension fund liabilities in its balance sheet. As this is a reserve which arises from an accounting standard it is not available to finance Council expenditure.
- a Revaluation Reserve – this records unrealised gains in the value of fixed assets.
- a Capital Adjustment Account – this is a specific accounting mechanism used to reconcile different rates at which assets are depreciated under proper accounting practice.

For each earmarked reserve held by the Council there should be a clear protocol setting out:

- the reason for/purpose of the reserve
- how and when the reserve can be used
- procedures for the reserve's management and control
- a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

This Reserves and Balances Policy ensures that when establishing reserves, Maldon District Council complies with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and the need to distinguish between reserves and provisions.

Policy and Principles to Assess the Adequacy of Reserves

The principles used by the Chief Finance Officer to assess the adequacy of unallocated general reserves when setting the budget, ensure that account is taken of the strategic, operational and financial risks facing the authority.

Setting the level of reserves is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a year. This is carried out as part of the four-year Service and Resource Planning Process. Account is taken of the key financial assumptions underpinning the budget alongside a consideration of the authority's financial management arrangements. In addition to the cash flow requirements of the authority the following factors are considered:

- The treatment of inflation and interest rates
- Estimates of the level and timing of capital receipts
- The treatment of demand led pressures
- The treatment of planned efficiency savings / productivity gains
- The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments
- The availability of other funds to deal with major contingencies and the adequacy of provisions.
- The economic situation, unforeseen events etc.
- The risks identified by the authority as part of its risk management arrangements

The Council holds two types of reserves

- General non-earmarked reserves (the Council's General Fund Balances)
- Earmarked reserves held for specific purposes

It is the current policy of Maldon District Council for the *General Fund reserves* (the General Fund Balances) to be held at a level of, at least, £2.6m. This is reviewed at least annually, during the setting of the budget. Factors which are considered during the review include; the level of balances as a percentage of the net revenue requirement, budget management and monitoring procedures, risk levels and financial projections for future years.

Reserves can be created or increased to ensure that the Service and Resource Planning Process takes account of any need to increase due to factors which may arise and to fully account for these factors.

In addition, the regular budget monitoring process carried out by the Council throughout the year will report on any changes in the level of balances or reserves.

The Reserves and Balances Policy is set in the context of the authority's Medium-Term Financial Strategy and does not focus exclusively on short-term considerations. Balancing the annual budget by drawing on general reserves may be viewed as a legitimate short-term option. However, where reserves are to be deployed to finance recurrent expenditure this will be made explicit. Advice will be given by the Chief Finance Officer on the adequacy of reserves over the lifetime of the medium-term financial projections. This is addressed in the Medium-Term Financial Strategy.

A New Reporting Framework

The Chief Finance Officer has a fiduciary duty to local tax-payers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds. Compliance with this Reserves and Balances Policy assists in allowing the Chief Finance Officer to be satisfied that there is proper stewardship of public funds. The level and utilisation of reserves is determined formally by the Council at its meetings to approve the annual budget and the final accounts. These decisions are informed by the advice and judgement of the Chief Finance Officer.

The Reporting Policy for Maldon District Council is:

- The Medium-Term Financial Strategy report to the Council includes a statement showing the proposed use of, or contribution to, general and earmarked reserves for the year ahead. Reference should be made as to the extent to which such reserves are to be used to finance recurrent expenditure
- The budget report itself includes a statement from the Chief Finance Officer on the adequacy of reserves in respect of the forthcoming financial year and the authority's medium-term financial strategy.

- The Councils' annual statement of accounts includes a schedule of all reserves in the balance sheet, showing opening balance, net movement in year and year-end balance. Notes to individual reserves are given in the accounts and significant reserve movements are explained in the Chief Finance Officer's foreword to the accounts and the covering report to Council which accompanies the presentation of the accounts.
- The regular in-year Budget Monitoring reports to Committee include details of any transactions affecting the Council's reserves.

Good Governance

It is important that local authority councillors take responsibility for ensuring the adequacy of reserves and provisions when they set the budget. This will be subject to the advice of the Chief Finance Officer and the arrangements for reviewing and reporting on the level of reserves and balances as set out above.

Budget Growth 2021/22 to 2023/24**Summary**

| Service Team | Title of the proposal | Funding | Growth 21/22 £000 | Growth 22/23 £000 | Growth 23/24 £000 | Total £000 |
|--|---------------------------------------|----------------------|-------------------------|-------------------------|-------------------------|---------------|
| Essential Growth for 2021/22 | | | | | | |
| Service Delivery | Safeguarding System | Earmarked Reserves | 3 | 3 | 3 | 9 |
| Service Delivery | Emergency Planning System | Earmarked Reserves | 4 | 4 | 4 | 12 |
| Service Delivery | Toilet cleaning contract | Earmarked Reserves | 5 | 0 | 0 | 5 |
| Service Delivery | Revs and Bens Specialist | Earmarked Reserves | 10 | 10 | 10 | 10 |
| Service Delivery | Housing Register system | Earmarked Reserves | 11 | 11 | 11 | 33 |
| Strategy, Planning and Communication (SPC) | Public Engagement Software | Earmarked Reserves | 25 | 25 | 25 | 75 |
| Service Delivery | Commercial L1 Caseworker | Earmarked Reserves | 27 | 27 | 27 | 81 |
| Service Delivery | Parks & Countryside Officer | Earmarked Reserves | 27 | 0 | 0 | 27 |
| Service Delivery | Customer, Community and Casework Lead | Earmarked Reserves | 50 | 50 | 50 | 150 |
| Service Delivery | Project Manager | Earmarked Reserves | 56 | 0 | 0 | 56 |
| Policy, Performance and Governance (PPG) | Continue process improvement team | Earmarked Reserves | 83 | 83 | 83 | 249 |
| Service Delivery | HM Land Registry (HMLR) Project | General Fund Balance | 50 | 0 | 0 | 50 |
| SPC | Local Development Scheme 2020-2022 | General Fund Balance | 410 | 175 | 9 | 594 |
| SPC | Local Development Plan (LDP) Review | General Fund Balance | 333 | 333 | 334 | 1,000 |
| Total Essential | | | 1,094 | 721 | 556 | 2,361 |
| Total Funded From Earmarked Reserves | | | 793 | 508 | 343 | 1,644 |
| Total Budget Growth | | | 301 | 213 | 213 | 717 |

Detailed Descriptions

| Service Team | Title of the proposal | Full Description of the proposal | Growth 21/22 £000 | Growth 22/23 £000 | Growth 23/24 £000 | Ongoing/One Off | Staffing Implications Full Time Equivalent (FTE) (-) | Risk Indicator | Justification for Proposal Why is the growth required? Can it be funded externally by external grant or other partner organisations? |
|------------------|---------------------------------|---|-------------------|-------------------|-------------------|-----------------|--|---------------------|--|
| Service Delivery | HM Land Registry (HMLR) Project | <p>There is a legislative requirement for Maldon District Council (MDC) to scan all Land Charges files and make the data available on the Land Charges Registry by 2023. Although not mandatory, it is expected to become so within the next few years and it is advisable to get ahead of the game to qualify for burdens funding and secure support from HMLR to implement the project.</p> <p>Phase 1 is the pre-migration stage to assess the quality of our data and how much cleansing is required. All Local Land Charges (LLC) paper files will need to be scanned (overlapping with the Digitisation Project) prior to being migrated to HMLR in Phase 2.</p> <p>The bulk of the cost will fall in Phase 1 (2021 / 22) due to the work involved to prepare the paper files for scanning along with checking and cleansing the data prior to migration. The costs in Phase 2 are yet to be established but will fall in 2022-23 and are largely for HMLR to complete at their cost. Total cost is expected to be £150k but external funding will be available reducing the cost to the Council to £50k.</p> | 50 | 0 | 0 | One-off | 2 FTE | Service Improvement | <ul style="list-style-type: none"> All data needs to be legally compliant and this is our responsibility (no data shared with HMLR at the moment). Efficiencies built into Ignite savings but not delivered as part of Phase 2 transformation activity. Resources are stretched as a result. We have to do the work for private searches free of charge but having the information available to the public means they complete searches themselves. Government has indicated that we'll need to do this at some point and funding is available now. Need to take advantage whilst uptake is low to get funding and assistance / resources to support delivery. Releases storage space in the basement and depot (enables office relocation, remote working and saves officer time) Spare office space can be leased for additional income. RISK: fines, damage to paper documentation with no copies, reputational damage, higher operating costs. |
| Service Delivery | Safeguarding Admin | To allow safeguarding leads to have administration rights in Fresh Service | 3 | 3 | 3 | Ongoing | | Service Improvement | |

APPENDIX 2

| Service Team | Title of the proposal | Full Description of the proposal | Growth 21/22 £000 | Growth 22/23 £000 | Growth 23/24 £000 | Ongoing/One Off | <u>Staffing Implications</u> Full Time Equivalent (FTE) (-) | <u>Risk Indicator</u> | <u>Justification for Proposal</u> Why is the growth required? Can it be funded externally by external grant or other partner organisations? |
|------------------|-----------------------|----------------------------------|--|---|---|-----------------|--|-----------------------|---|
| Service Delivery | Staffing | Commercial L1 Caseworker | 27 | 27 | 27 | On-going | 1 FTE | Service Failure | This post is required to assist the Commercial Team in administering and coordinating. Health and Safety matters within the team, work areas will include vehicle fleet, property defect reporting, Parks Team operations. There is a lack of capacity within the team to ensure proper administration of these important activities. |
| Service Delivery | Staffing | Revs and Bens Specialist | £10 if process improvement growth agreed, otherwise £38k | £10 if process improvement growth agreed, other wise £38k | £10 if process improvement growth agreed, other wise £38k | On-going | 1 FTE | Service Failure | The team has insufficient capacity & resilience to support essential activities such as software testing, annual billing, statutory returns, annual benefit subsidy audit, quality checks and training. This places us at significant legal & financial risk. A previous decision to reduce resources in this area led to financial losses in excess of £100K plus increased audit fees just related to benefit subsidy loss. Previous Department for Work and Pensions reviews raised concerns about level of resources and supported the increase of resource. |
| Service Delivery | Staffing | Project Manager | 56 | 0 | 0 | One-off | 1 FTE | Service Improvement | Fixed term contract - The Council is developing a number of business cases for commercial projects to deliver financial returns and enhance local facilities. To enable robust business cases to be prepared for member approval it is proposed to engage a project manager on a fixed term contract to review the project list and bring forward the most viable projects. The post holder will work closely and report to the Commercial Manager. Capacity at this time (Covid related) means without this additional resource little progress can be made by the Commercial Manager to bring these projects forward. |
| Service Delivery | Staffing | Parks & Countryside Officer | 27 | 0 | 0 | One-off | 1 FTE | Service Failure | Fixed term contract - The Parks Team is reviewing activity and workload. It is apparent at this time it is unable to manage peak times without additional resources. An additional member of the team is sought in 2021 / 22 to supplement the existing workforce whilst the review looks at options to manage within the allocated resources. This work will need Member approval as service standards will need to be altered. This post will buy time for the review to be completed in the summer of 2021. |

APPENDIX 2

| Service Team | Title of the proposal | Full Description of the proposal | Growth 21/22 £000 | Growth 22/23 £000 | Growth 23/24 £000 | Ongoing/One Off | <u>Staffing Implications</u> Full Time Equivalent (FTE) (-) | <u>Risk Indicator</u> | <u>Justification for Proposal</u> Why is the growth required? Can it be funded externally by external grant or other partner organisations? |
|-------------------------------|----------------------------|--|-------------------|-------------------|-------------------|--------------------------------------|--|-----------------------|---|
| Service Delivery | Staffing | Customer, Community and Casework Lead | 50 | 50 | 50 | Ongoing | 1 FTE | Service Failure | This post is to support the operational management of Service Delivery, Community Engagement and Customer Services. The workload for the services has increased significantly since the original transformation, with significant increases in workload, service redesign and improvement, projects to meet new legislative requirements as well as implementing, embedding and making best use of the new systems and IT that we have invested in and delivering efficiencies that were part of the original transformation plan. Due to the accelerated implementation of the transformation much of the workload related to the improvements and efficiencies is still being delivered, in addition to responding to the increases in workload and demand. The current role has responsibility for more than 80 staff, and whilst there are coordinators to help with day to day management of staff, there is no senior support within the structure for the existing Customers Community and Casework Manager role. The proposed role would provide significant and much needed support to delivery on not only our statutory functions, but to support the delivery the service efficiencies that were a key element of the transformation programme, on which our current structure and level of resources structure is based. |
| Service Delivery Total | | | 243 | 162 | 162 | | | | |
| SPC | Public Engagement Software | To purchase and maintain a smart public engagement software platform that will improve participation and influence in decision-making. | 25 | 25 | 25 | Ongoing maintenance fee and training | | Service Improvement | MDC needs a reliable and compatible public engagement platform to engage with its residents and businesses in policy and strategy development, including the Local Development Plan Review, Bradwell B Development Plan Document (DPD), supplementary planning documents, corporate plans, thematic strategies, opinion polls, community forums, etc. |
| SPC | Local Development | To deliver the Local Development Scheme projects | 410 | 175 | 9 | One off, but £9k | | Service Failure | MDC has determined the projects it wants to focus on as a Local Planning Authority between |

APPENDIX 2

| Service Team | Title of the proposal | Full Description of the proposal | Growth 21/22 £000 | Growth 22/23 £000 | Growth 23/24 £000 | Ongoing/One Off | Staffing Implications Full Time Equivalent (FTE) (-) | Risk Indicator | Justification for Proposal Why is the growth required? Can it be funded externally by external grant or other partner organisations? |
|--------------------------------|-----------------------------------|--|-------------------|-------------------|-------------------|----------------------------------|--|---------------------|--|
| | Scheme 2020-2022 | agreed by Council in Jan 2020 | | | | software related ongoing. | | | 2020 and 2022. These are the Bradwell B DPD, Community Infrastructure Levy (CIL), S106 Supplementary Planning Document (SPD), North Quay Development Brief (NQDB) SPD and supporting four Neighbourhood Plans currently in preparation. Full cost estimated to be £800k - £80k can be claimed back as Ministry of Housing, Communities and Local Government (MHCLG) burden grant and £175k already allocated in Local Development Plan (LDP) reserves, but a remainder needs to be found. CIL/S106 software costs would have annual maintenance fee. |
| SPC | LDP Review | To deliver an evidenced led review of the Local Development Plan's strategic and allocation planning policies, including 2 rounds of public consultation, statutory studies, examination in public, modification consultation and adoption over 2-3 years. | 333 | 333 | 334 | One off, but spread over 3 years | | Service Failure | Legal requirement to conduct a review of the LDP to determine if it remains up to date and effective every 5 years. It was adopted in 2017 and likely that strategic housing and growth policies will struggle to remain up to date due to falling land supply and increasing housing needs. |
| PPG | Continue process improvement work | 1 FTE business analyst (Grade G) and 1 ICT specialist (Grade H) to become permanent | 83 | 83 | 83 | ongoing | 2 FTE | Service Improvement | Ignite acknowledge they missed these posts in the structure and the need for ongoing improvement resource. New customer processes and front-end forms for COVID have been built by the team. The posts are also working in service areas to improve processes and help others cope with post- transformation resource pressures. Improvement and process work is a continual programme. If these posts are funded, we can remove the apprentice post and associated £9k from the budget, which is netted off. |
| SPG Total | | | 851 | 616 | 451 | | | | |
| Grand Total | | | 1,094 | 721 | 556 | | | | |
| Funded from Earmarked Reserves | | | 793 | 508 | 343 | | | | |
| Budget Growth | | | 301 | 213 | 213 | | | | |

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| Proposed Repairs & Renewals | | | | | | |
|---|---|------------|----------|----------|-----------|-----------|
| Project Title | Project Description | Original | Original | Original | Original | Original |
| | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| | | £'000 | £'000 | £'000 | £'000 | £'000 |
| Maldon Promenade | | | | | | |
| 1. Prom Park Galleon | Replacement timber works and structural works on the play galleon in the valley | 15 | | | | |
| 2. Boat lake decking replacement | Replacement of boat lake decking and structure with new oak facility - Est £20k | 20 | | | | |
| Leisure Centre | | | | | | |
| 3. Replacement power unit / board in the plant room | Replacement power unit / board in the plant room - Est £15k | 15 | | | | |
| Parks & open Spaces | | | | | | |
| 4. District Parks - replacement steps | Replacement timber steps / pathways in parks & open spaces | 18 | | | | |
| 5. Replacement fencing works at parks & playsites at Riverside Park | Replacement fencing works at parks & playsites | 20 | | | | |
| 6. Playsite sand / bark top ups | | 20 | | | | |
| Cemeteries | | | | | | |
| 7. Memorial Safety | Repair of headstones from results of Topple testing | 20 | | | 10 | 20 |
| | | | | | | |
| Total | | 128 | 0 | 0 | 10 | 20 |

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

ANNUAL REVIEW OF FINANCIAL REGULATIONS

1. PURPOSE OF THE REPORT

- 1.1 To consider and recommend to Council the Financial Regulations as part of the regular annual review.

2. RECOMMENDATION

To the Council:

That the revised Financial Regulations, attached at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Regulations was last reviewed in March 2019. At that time, they were updated to reflect the new corporate leadership structure and financial practices within the Authority.
- 3.2 The Financial Regulations have now been further updated to reflect the new committee structure and give clarification as to various responsibilities and roles. There are no other significant changes of substance proposed. The updated Regulations showing proposed tracked changes is attached at **APPENDIX 1**.

4. CONCLUSION

- 4.1 It is important that the Council's rules and regulations are regularly reviewed and kept up to date by reflecting structures operating within the Authority. The Financial Regulations are a component of the new Constitution and approval of this updated version will ensure that the Constitution is updated accordingly.

5. IMPACT ON CORPORATE GOALS

- 5.1 This review supports the goal of delivering good quality, cost effective and valued services in a transparent way.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Up to date policies provide a framework for officers to work to ensure consistency and compliance. Procedure notes provide a valuable business continuity tool, allowing others to carry out a process in periods of staff absence.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Chris Leslie, Director of Resources.



MALDON DISTRICT COUNCIL

Financial Regulations and Financial Procedures

Updated ~~July~~February 201920

Changes log

[illegible]

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1. Status of Financial Regulations

- 1.1. Financial regulations provide the framework for managing the Council's financial affairs. They apply to every member and officer of the Council and anyone acting on its behalf.
- 1.2. The regulations identify the financial responsibilities of the Council, the Committees, the Directors, and the ~~Council's Statutory~~Monitoring Officers. Directors should maintain a written record where decision making under the regulations has been delegated to members of their staff, including seconded staff. Where decisions have been delegated or devolved to other responsible officers, references to the Director in the regulations should be read as referring to them. Actions under the regulations may also be delegated, and again any such authorisations~~delegation~~ should be documented, however the responsibility to ensure that these actions are happening remains with the person specified in these regulations. (Appendix I)
- 1.3. All Council Members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
- 1.4. The Director of Resources is responsible for maintaining a continuous review of the financial regulations and submitting any additions or changes necessary to the Council for approval. The Director of Resources is also responsible for reporting, where appropriate, breaches of the financial regulations to the ~~Strategy and Resources~~Finance & Corporate Services Committee. Any non-compliance with the Regulations must be reported to the Director of Resources. Anyone wishing to act outside the provisions of these regulations, in a specific instance, must seek the prior written approval of the Director of Resources.
- 1.5. The Council's detailed financial procedures, setting out how the regulations will be implemented, are contained in the appendices to the financial regulations.
- 1.6. The Director of Resources is responsible for ensuring that all staff are aware of the existence and content of the Council's financial regulations and other internal regulatory documents and that they comply with them.
- 1.7. The Director of Resources is responsible for issuing advice and guidance to underpin the financial regulations that Members, Officers and others acting on behalf of the Council are required to follow. Notes and guidance may expand upon, but not contradict the Regulations. Any consultation required under these Regulations must allow sufficient time for a proper consideration of any issues.
- 1.8. All financial and accounting procedures must be carried out in accordance with the Regulations.

2. FINANCIAL REGULATIONS

a) Financial Management

1. INTRODUCTION

- 1.1 Financial management covers all financial accountabilities in relation to the running of the Council, including the policy framework and budget.

2. THE COUNCIL

- 2.1 The Council is responsible for adopting ~~a Constitution and associated~~ the corporate governance arrangements (~~including Council and Committee Procedure Rules and Committee Standing orders and~~ Terms of Reference), for approving the annual budget and the policy framework within which the Committees operate. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control. The framework is set out in its corporate governance arrangements. The Council is also responsible for monitoring compliance with the agreed policy and related Committee decisions.
- 2.2 The Council is responsible for approving procedures for recording and reporting decisions taken. This includes those key decisions delegated by and decisions taken by the Council and its Committees.

3. THE COMMITTEES

- 3.1 The ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee is responsible for proposing the annual budget to the Council, and for discharging its own functions in accordance with that budget and framework.
- 3.2 Once approved, the ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee is responsible for the administration of the budget for the services set out in its Terms of Reference.
- 3.3 Committee decisions can be delegated to an officer or a sub-committee.
- 3.4 The Committees are responsible for establishing protocols to ensure that decisions take account of legal and financial liabilities and risk management issues that may arise from the decision.
- 3.5 The Overview and Scrutiny Committee ~~along with its major role in reviewing Best Value~~, has power to scrutinise decisions made, or action taken, in respect of any of the functions of the Council which have financial implications. It also has powers to make recommendations on future financial policy options and for reviewing the general financial policy and service delivery of the Council.
- 3.6 The Joint Standards Committee is established by the Council and is responsible for promoting and maintaining high standards of conduct amongst councillors. In particular, it is responsible for advising the Council on the adoption and revision of the Members' code of conduct, and for monitoring the operation of the code.

4. THE STATUTORY OFFICERS

4.1 ~~Head of Paid Service~~

4.1.1 ~~The Council will appoint one of its Directors or senior Officers to the following statutory roles: He/she is responsible for the corporate and overall strategic management of the Council as a whole. He/she must report to and provide information for the Council, the Programme committees and other Committees. He/she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Head of Paid Service is also responsible, together with the Monitoring Officer (see 4.2 below), for the system of record keeping in relation to all the Council's decisions.~~

- ~~• Head of Paid Service – responsible for the co-ordination of the operational activity involved in delivering the Council's services and functions, including the appointment and management of staff.~~
- ~~• Section 151 Officer or Chief Finance Officer – responsible for the proper administration of the Council's financial affairs.~~
- ~~• Monitoring Officer – reports to the Council on cases of maladministration, the conduct of councillors and officers, and responsible for the review and updating of the Constitution (including the provision of advice and interpretation).~~

~~Further information on these roles is contained within the Council's constitution although of particular relevance to these Regulations are the following statutory provisions:~~

4.1.2 ~~The Director of Strategy, Performance and Governance is responsible for keeping the Council's corporate governance arrangements up to date.~~

4.2 ~~Monitoring Officer~~

4.2.1 ~~The Monitoring Officer is responsible for promoting and maintaining high standards of financial conduct and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the Council and/or to the Committees, and for ensuring that procedures for recording and reporting key decisions, as defined in the Constitution, are operating effectively.~~

4.2.2 ~~The Monitoring Officer must ensure that Committees' decisions and the reasons for them are made public. He/she must also ensure that Council Members are aware of decisions made by Committees and of those made by officers who have delegated responsibility.~~

4.2.3 ~~The Monitoring Officer is responsible for advising all Members and officers about who has authority to take a particular decision.~~

4.2.4 ~~The Monitoring Officer is responsible for advising the Committees or Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.~~

~~4.2.5 The Monitoring Officer (together with the Section 151 Officer (see below)) is responsible for advising the Committees or Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:~~

- ~~a) initiating a new policy;~~
- ~~b) committing expenditure in future years to above the current budget level;~~
- ~~c) incurring expenditure where no estimate or an inadequate estimate exists thereby giving rise to the necessity for supplementary estimates or virements above approved limits;~~
- ~~d) causing the total expenditure financed from council tax, grants and corporately held reserves to increase, or to increase by more than a specified amount.~~

4.23 Section 151 Officer (Chief Finance Officer)

~~4.23.1 The Officer appointed by the Appointments Board as the Section 151 Officer~~Director of Resources is the Chief Finance Officer~~ and has statutory duties in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from:~~

- ~~a) Section 151 of the Local Government Act 1972;~~
- ~~b) The Local Government Finance Act 1988;~~
- ~~c) The Local Government and Housing Act 1989;~~
- ~~d) The Accounts and Audit Regulations 2015;~~
- ~~e) The Localism Act 2011.~~

~~4.23.2 The Section 151 Officer (Chief Finance Officer) is responsible for:~~

- ~~a) the proper administration of the Council's financial affairs;~~
- ~~b) setting and monitoring compliance with financial management standards;~~
- ~~c) advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;~~
- ~~d) providing financial information;~~
- ~~e) preparing the revenue budget and capital programme;~~

~~Operational responsibility for these matters is assigned to the Director of Resources.~~

~~4.23.3 Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer (Section 151 Officer) to report to the Council, Committees and external auditor if the Council, Committees or one of its officers or members:~~

- ~~a) has made, or is about to make, a decision which involves incurring unlawful expenditure;~~
- ~~b) has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Council;~~
- ~~c) is about to make an unlawful entry in the Council's accounts.~~

Section 114 of the 1988 Act also requires:

- ~~d) the Chief Finance Officer to nominate a properly qualified member of staff to deputise should he/she be unable to perform the duties under section 114 personally;~~

- e) the Council to provide the Chief Finance Officer with sufficient staff, accommodation and other resources, including legal advice where this is necessary, to carry out the duties under section 114.

5. DIRECTORS

- 5.1 Directors are responsible for ensuring that Committees are advised of the financial implications of all proposals and that the financial implications have been agreed by the Director of Resources;
- 5.2 The Directors ~~and the Head of Paid Service~~ are responsible for signing contracts on behalf of the Council.
- 5.3 It is the responsibility of Directors and Committees to consult with the Director of Resources and seek approval on any matter liable to affect the Council's finances, before any commitments are incurred.
- 5.4 The Director of Strategy, Performance and Governance is responsible for keeping the Council's corporate governance arrangements up to date.

6. OTHER FINANCIAL ACCOUNTABILITIES

6.1 Virement

- 6.1.1 The Council is responsible for agreeing procedures for revenue and capital virements of expenditure or income between budget headings.
- 6.1.2 Directors must consult the Director of Resources on all virements, (see [Appendix F](#))

6.2 Treatment of year-end balances

- 6.2.1 The Director of Resources is responsible for agreeing procedures for carrying forward under-spending on budget headings.

6.3 Accounting policies

- 6.3.1 The Director of Resources is responsible for selecting accounting policies and ensuring that they are applied consistently.

6.4 Accounting records and returns

- 6.4.1 The Director of Resources is responsible for determining the accounting procedures and records for the Council.

6.5 The Annual Statement of Accounts

- 6.5.1 The Director of Resources is responsible for ensuring that the annual Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Local Authority Accounting in the United Kingdom and that the annual accounts are published by the deadline set out in the Accounts and Audit Regulations each year. The Audit Committee is responsible for approving the annual Statement of Accounts.

b) Financial Planning

1. INTRODUCTION

- 1.1 The Council is responsible for agreeing the Council's policy framework, in particular the Corporate Plan. It is also responsible for agreeing the budget, the main framework of which will be proposed by the Strategy and Resources~~Finance & Corporate Services~~ Committee. In terms of financial planning, the key elements are:

- a) the revenue budget;
- b) the medium term financial strategy (MTFS);
- c) the capital programme.

2. POLICY FRAMEWORK

- 2.1 The policy framework comprises a number of statutory plans and strategies, which are set out in the Council's corporate governance arrangements.

- 2.2 The Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. The ~~Monitoring Officer or the~~ S151 Officer and/or Monitoring Officer, as appropriate, should refer decisions to the Council.

- 2.3 The ~~Programme~~ Committees are responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.

2.4 Preparation of the Corporate Plan

- 2.4.1 The Director of Strategy, Performance and Governance is responsible for proposing the Corporate Plan to the Council for approval.

3. BUDGETING

3.1 Budget format

- 3.1.1 The general format of the budget will be approved by the Strategy and Resources~~Finance & Corporate Services~~ Committee and the Council on the advice of the Director of Resources. The draft budget should include current approvals updated for inflation and volume changes, proposals for growth and savings, together with the proposed taxation level.

3.2 Budget preparation

- 3.2.1 The Director of Resources is responsible for ensuring that a revenue budget is prepared on an annual basis and a MTFS at least on a three-yearly basis for consideration by the Strategy and Resources~~Finance & Corporate Services~~ Committee, before submission to the Council. The Council may amend the budget before approving it.

3.3 Budget monitoring and control

- 3.3.1 The Director of Resources is responsible for providing appropriate financial information to enable budgets to be monitored effectively. He/she must monitor and control expenditure against budget allocations and report to the Strategy and Resources~~Finance & Corporate Services~~ Committee on the overall position on a quarterly basis.

- 3.3.2 It is the responsibility of Directors to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Director of Resources. They should also take any action necessary to avoid exceeding their budget allocation and alert the Director of Resources to any problems.

3.4 Resource allocation

- 3.4.1 The Director of Resources is responsible for developing and maintaining a resource allocation process that ensures due consideration of the Council's strategic and financial planning process.

3.5 Preparation of the Capital Strategy

- 3.5.1 The Director of Resources is responsible for ensuring that the Capital Strategy and Capital Programme are prepared on an annual basis for consideration by the Strategy and Resources~~Finance & Corporate Services~~ Committee before submission to the Council.

3.6 Guidelines

- 3.6.1 Guidelines on budget policies are issued to Directors by the Director of Resources following approval of the Strategy and Resources~~Finance & Corporate Services~~ Committee. The guidelines will take account of:

- a) legal requirements;
- b) medium-term financial strategy;
- c) the Corporate Plan;
- d) available resources;
- e) spending pressures;
- f) other relevant guidelines issued by government or external audit;
- g) other internal policy documents;
- h) cross-cutting issues (where relevant);
- i) external partnerships.

4. MAINTENANCE OF RESERVES

- 4.1 It is the responsibility of the Director of Resources to advise the Strategy and Resources~~Finance & Corporate Services~~ Committee on prudent levels of reserves for the Council.

c) Risk Management and Control of Resources

1. INTRODUCTION

- 1.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.

2. RISK MANAGEMENT

- 2.1 The Performance, Governance and Audit Committee is responsible for approving the Council's Risk Management Policy and for reviewing the effectiveness of risk management. ~~The Finance & Corporate Services Committee is responsible for ensuring that proper insurance exists where appropriate.~~
- 2.2 The Director of Strategy, Performance and ~~Resources~~ Governance is responsible for preparing the Council's Risk Management Policy and for promoting it throughout the Council and is responsible for advising the Committees on proper insurance cover where appropriate.

3. INTERNAL CONTROL

- 3.1 Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- 3.2 The Directors ~~of Resources~~ are responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, effectively and in accordance with the statutory and other authorities that govern their use.
- 3.3 It is the responsibility of Directors to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

4. AUDIT REQUIREMENTS

- 4.1 The Accounts and Audit Regulations require every local Council to maintain an adequate and effective internal audit.
- 4.2 The Secretary of State for Communities and Local Government, via the Local Government Association has delegated the appointment of external auditors to each local authority to a body called Public Sector Audit Appointments Ltd (PSAA). The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, as amended by the Local Audit and Accountability Act 2014.
- 4.3 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenues and Customs, which have statutory rights of access.

5. PREVENTING FRAUD AND CORRUPTION

- 5.1 The Director of ~~Strategy, Performance and Governance~~ Resources, is responsible for the development and maintenance of an Anti-Fraud and Anti-Corruption Policy.

6. ASSETS

- 6.1 Directors should ensure that records of the Council's assets in excess of the limit set out in section 1.7 of **Appendix F** are properly maintained and securely held. They should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place. The Director of Resources should ensure that all assets above the specified value are properly recorded in the asset register.

7. TREASURY MANAGEMENT

- 7.1 The Council has adopted CIPFA's Code of Practice for Treasury Management in Local Authorities.
- 7.2 The ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee is responsible for approving the treasury management policy and Treasury Management Practices (TMP's) setting out the matters detailed in CIPFA's Code of Practice for Treasury Management in Local Authorities. The Director of Resources has delegated responsibility for implementing and monitoring the TMP's.
- 7.3 All money in the hands of the Council is controlled by the officer designated for the purposes of section 151 of the Local Government Act 1972, referred to in the Code as the Director of Resources.
- 7.4 Subject to the Council setting the overall borrowing limits in accordance with the Prudential Code, the day to day decisions on borrowing, investment or financing shall be delegated to the Director of Resources, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.

8. STAFFING

- 8.1 The Head of Paid Service is responsible for providing overall management to staff. ~~Directors will be~~~~He/she is also~~ responsible for ensuring that there is proper use of evaluation or other agreed systems for determining the remuneration of a job.
- 8.2 Directors, in consultation with the Director of Resources, are responsible for controlling total staff numbers by:
- a) advising the Council on the budget necessary in any given year to cover estimated staffing levels;
 - b) adjusting the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs;
 - c) the proper use of appointment procedures.

d) Systems and Procedures

1. INTRODUCTION

- 1.1 Sound systems and procedures are essential to an effective framework of accountability and control.

2. GENERAL

- 2.1 The Director of Resources is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. The Director of Resources must determine any changes proposed by Directors to the existing financial systems or the establishment of new systems. However, Directors are responsible for the proper operation of financial processes in their own services.
- 2.2 Any changes to agreed procedures by Directors to meet their own specific service needs should be agreed with the Director of Resources.
- 2.3 The Director of Resources should ensure that all staff receive relevant financial training.
- 2.4 Directors must ensure that, where appropriate, computer and other systems are registered in accordance with Data Protection legislation. Directors must ensure that staff are aware of their responsibilities under freedom of information legislation.

3. INCOME AND EXPENDITURE

- 3.1 It is the responsibility of Directors to ensure that a proper scheme of internal authorisation has been established within their area and that it is operating effectively. The scheme of delegation, or a system of internal recording, should identify in writing staff authorised to act on the Directors' behalf, or on behalf of the Council, in respect of payments, income collection and placing orders, together with the limits of their authority. The Strategy and Resources Finance & Corporate Services Committee is responsible for approving procedures for writing off debts as part of the overall control framework of accountability and control.

4. PAYMENTS TO EMPLOYEES AND MEMBERS

- 4.1 The Director of Resources is responsible for all payments of salaries and allowances to all staff, including payments for overtime, and for payment of allowances to Members.

5. TAXATION

- 5.1 The Director of Resources is responsible for advising Directors, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Council.
- 5.2 The Director of Resources is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

6. TRADING ACCOUNTS

- 6.1 It is the responsibility of the Director of Resources to advise on the establishment and operation of trading accounts.

e) External Arrangements

1. INTRODUCTION

- 1.1 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social and environmental well-being of its area.

2. PARTNERSHIPS

- 2.1 ~~The CProgramme~~ committees are responsible for approving ~~delegations, including~~ frameworks for partnerships. The ~~CProgramme~~ committees are the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.

- 2.2 ~~While Committees can seek to The Programme committees can~~ delegate functions, including those relating to partnerships, to officers, any proposals to alter the Committee Terms of Reference and the Scheme of Delegation must be considered by the Performance, Governance and Audit Committee under. These are set out in the scheme of delegation that forms part of the Council's corporate governance arrangements. Where functions are delegated, the Programme committees remain accountable for them to the Council.

- 2.3 The Director of Resources is responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.

- 2.4 The Director of Resources, in consultation with the Council's designated legal advisor, must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are robust and comply with best practices. He/she must also consider the overall corporate governance arrangements and in consultation with the designated legal advisor, legal issues when arranging contracts with external bodies. He/she must ensure that the risks have been fully appraised before agreements are entered into with external bodies.

- 2.5 ~~CProgramme~~ committees are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

3. EXTERNAL FUNDING

- 3.1 The Director of Resources is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts.

A. FINANCIAL MANAGEMENT PROCEDURES

A.1. FINANCIAL MANAGEMENT STANDARDS

1.1 Why is this important?

- 1.1.1 All staff and Members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

A.1.2 Key controls

- 1.2.1 The key controls and control objectives for financial management standards are
- (a) their promotion throughout the Council;
 - (b) a monitoring system to review compliance with financial standards, and regular comparisons of performance indicators and benchmark standards that are reported to the Performance, Governance and Audit ~~Finance & Corporate Services and/or Overview & Scrutiny~~ Committees.

A.1.3 Responsibilities of the ~~Director of Resources~~ Section 151 Officer

- 1.3.1 To ensure the proper administration of the financial affairs of the Council.
- 1.3.2 To set the financial management standards and to monitor compliance with them.
- 1.3.3 To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the Council.
- 1.3.4 To advise on the key strategic controls necessary to secure sound financial management.
- 1.3.5 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators.

A.1.4 Responsibilities of Directors

- 1.4.1 To promote the financial management standards set by the Section 151 Officer ~~Director of Resources~~ in their service and to monitor adherence to the standards and practices.
- 1.4.2 To promote sound financial practices in relation to the standards, performance and development of staff in their departments.

A.2. MANAGING EXPENDITURE

2.1 Scheme of Virement

2.1.1 Why is this important?

- 2.1.1.1 The scheme of virement is intended to enable the Strategy and Resources ~~Finance & Corporate Services~~ Committee, Directors and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, and therefore to optimise the use of resources.

A.2.2 Key controls

2.2.1 Key controls for the scheme of virement are:

- (a) it is administered by the Director of Resources within guidelines set by the Council. Any variation from this scheme requires the approval of the Council;
- (b) the overall budget is proposed by the ~~Strategy and Resources~~Finance & Corporate Services Committee and approved by the Council. Directors and budget holders are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover virement (i.e. switching resources between approved budget headings of expenditure or income). For the purposes of this scheme, a budget heading is considered to be a line in the Budget Summary of the Budget Book;
- (c) virement does not create additional overall budget liability. Directors are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should aim to avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Directors must plan to fund such commitments from within their own budgets.

A.2.3 Responsibilities of the Director of Resources

- 2.3.1 To prepare jointly with the Directors, a report to the ~~Strategy and Resources~~Finance & Corporate Services Committee where revenue and capital virements, between different directorates, in excess of specified financial limits, are proposed (see **Appendix F**).

A.2.4 Responsibilities of Directors

- 2.4.1 A Director, in consultation with the Director of Resources may exercise virement within the same directorate under his/her control for any amount. Virements between different directorates must be reported to the ~~Strategy and Resources~~Finance & Corporate Services Committee. The authorisation limits are set out in **Appendix F**.

- 2.4.2 Amounts that require the approval of the ~~Strategy and Resources~~Finance & Corporate Services Committee must specify the proposed expenditure and the source of funding, and must explain the implications in the current and future financial years.

- 2.4.3 Virement that is likely to impact on the level of service activity of another Director should be implemented only after agreement with the relevant Director.

~~2.4.4 No virement relating to a specific financial year should be made after 31 March in that year.~~

- 2.4.~~54~~54 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that:

- a) the amount is used in accordance with the purposes for which it has been established;
- b) the ~~Strategy and Resources will~~Finance & Corporate Services Committee has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to ~~that Committee~~Finance & Corporate Services Committee.

- 2.4.~~65~~65 Virements are not permitted in relation to asset charges or other budget headings which are outside the control of the Directors or where a proposal would adversely affect long term revenue commitments.

A.3. ACCOUNTING POLICIES

A.3.1 Why is this important?

- 3.1.1 The Director of Resources is responsible for the preparation of the Council's Statement of Accounts, in accordance with proper practices as set out in the format required by the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom for each financial year ending 31 March.

A.3.2 Key controls

- 3.2.1 The key controls for accounting policies are:
- a) systems of internal control are in place which ensure that financial transactions are lawful;
 - b) suitable accounting policies are selected and applied consistently;
 - c) proper accounting records are maintained;
 - d) financial statements are prepared which present fairly the financial position of the Council and its expenditure and income.

A.3.3 Responsibilities of the Director of Resources

- 3.3.1 To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies are set out in the Statement of Accounts, which is prepared at 31 March each year, and covers such items as:
- a) income and expenditure;
 - b) fixed assets;
 - c) treatment of leasing;
 - d) depreciation;
 - e) charges to revenue;
 - f) capital receipts;
 - g) debtors and creditors;
 - h) support services;
 - i) pensions;
 - j) government grants;
 - k) investments;
 - l) reserves.
 - m) stocks

A.3.4 Responsibilities of Directors

- 3.4.1 To adhere to the accounting policies and guidelines approved by the Director of Resources.

A.4. ACCOUNTING RECORDS AND RETURNS

A.4.1 Why is this important?

- 4.1.1 Maintaining proper accounting records is one of the ways in which the Council discharges its responsibility for stewardship of public resources. The Council has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.

A.4.2 Key controls

4.2.1 The key controls for accounting records and returns are:

- a) all Committees, finance staff and budget managers operate within the required accounting standards and timetables;
- b) all the Council's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis;
- c) procedures are in place to enable accounting records to be reconstituted in the event of systems failure;
- d) reconciliation procedures are carried out to ensure transactions are correctly recorded;
- e) prime documents are retained in accordance with legislative and other requirements.

A.4.3 Responsibilities of the Director of Resources

4.3.1 To determine the accounting procedures and records for the Council. Where these are maintained outside his/her department, the Director of Resources should consult the Director concerned.

4.3.2 To arrange for the compilation of all accounts and accounting records under his/her direction.

4.3.3 To comply with the following principles when allocating accounting duties:

- a) separating the duties of providing information about sums due to or from the Council and calculating, checking and recording these sums from the duty of collecting or disbursing them;
- b) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

4.3.4 To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations 2015.

4.3.5 To ensure that all claims for funds including grants are made by the due date.

4.3.6 To prepare and publish the audited accounts of the Council for each financial year, in accordance with the statutory timetable and with the requirement for the Audit Committee to approve the Statement of Accounts.

4.3.7 To administer arrangements for under-spending to be carried forward to the following financial year.

4.3.8 To ensure the proper retention of financial documents in accordance with the requirements set out in the Council's document retention guidelines.

A.4.4 Responsibilities of Directors

4.4.1 To consult and obtain the approval of the Director of Resources before making any changes to accounting records and procedures.

4.4.2 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.

4.4.3 To supply information required to enable the Statement of Accounts to be completed in accordance with guidelines issued by the Director of Resources.

A.5. THE ANNUAL STATEMENT OF ACCOUNTS

A.5.1 Why is this important?

5.1.1 The Council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Performance, Governance and Audit Committee is responsible for approving the statutory annual Statement of Accounts.

A.5.2 Key controls

5.2.1 The key controls for the annual Statement of Accounts are:

- a) the Council is required to 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 these affairs. In this Council, that officer is the Officer appointed by the Appointments Board as Director of Resources (Section 151 Officer);
- b) the Council's Statement of Accounts must be prepared in accordance with proper practices as set out in the latest CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

A.5.3 Responsibilities of the Director of Resources

- 5.3.1 To sign and date the Statement of Accounts, stating that it presents a true and fair view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March.
- 5.3.2 To select suitable accounting policies and to apply them consistently.
- 5.3.3 To make judgements and estimates that are reasonable and prudent.
- 5.3.4 To comply with the latest accounting Code of Practice.
- 5.3.5 To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

A.5.4 Responsibilities of Directors

- 5.4.1 To comply with accounting guidance provided by the Director of Resources and to supply him/her with information when required.

B. FINANCIAL PLANNING

B.1. PERFORMANCE PLANS

B.1.1 Why is this important?

- 1.1.1 The purpose of performance plans is to explain overall priorities and objectives, current performance, and proposals for further improvement.

B.1.2 Key controls

- 1.2.1 The key controls for performance plans are:
- (a) to meet the timetables set;
 - (b) to ensure that all performance information is accurate, complete and up to date;
 - (c) to provide improvement targets which are meaningful, realistic and challenging.

B.1.3 Responsibilities of Directors

- 1.43.1 To contribute to the development of performance plans in line with statutory requirements.
- 1.43.2 To contribute to the development of corporate and service targets and objectives and performance information.
- 1.43.3 To ensure that systems are in place to measure activity and collect accurate information for use as performance indicators.
- 1.43.4 To ensure that performance information is collected and monitored sufficiently frequently to allow corrective action to be taken if targets are not likely to be met.

B.2. BUDGETING

B.2.1 Format of the budget

2.1.1 Why is this important?

- 2.1.1.1 The structure of the budget determines the level of detail to which financial control and management will be exercised. The structure shapes how the rules around virement operate, the operation of financial limits and sets the level at which funds may be reallocated within budgets.

B.2.2 Key controls

- 2.2.1 The key controls for the budget structure are:
- a) the structure complies with all legal requirements;
 - b) the structure reflects the accountabilities of service delivery.

B.2.3 Responsibilities of Directors

- 2.3.1 To comply with accounting guidance provided by the Director of Resources.

B.2.4 Revenue budget preparation, monitoring and control

2.4.1 Why is this important?

- 2.4.1.1 Budget management ensures that once the budget has been approved by the Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account, managers responsible for defined elements of the budget.
- 2.4.1.2 By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. The Council itself operates within an annual financial limit, approved when setting the overall budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the budget allocated to it.
- 2.4.1.3 For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service or policy area. However, budgetary control may take place at a more detailed level if this is required by the Directors scheme of delegation or by the Council.

B.2.5 Key controls

- 2.5.1 The key controls for managing and controlling the revenue budget are:
- a) budget managers should be responsible only for income and expenditure that they can influence;
 - b) there is only one nominated budget manager for each budget area;
 - c) budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities;
 - d) budget managers follow an approved certification process for all expenditure;
 - e) income and expenditure are properly recorded and accounted for;
 - f) performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget;
 - g) Managers should supervise the financial management of those reporting to them.

B.2.6 Responsibilities of the Director of Resources

- 2.6.1 To establish an appropriate framework of budgetary management and control that ensures that:
- a) budget management is exercised within annual financial limits unless the Council agrees otherwise;
 - b) each Manager has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities;
 - c) all officers responsible for committing expenditure comply with relevant guidance, and the financial regulations;
 - d) each directly controllable cost centre has a single named manager, determined by the relevant Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making process that commits expenditure;
 - e) significant variances from approved budgets are investigated and reported by budget managers regularly.

- 2.6.2 To administer the Council's scheme of virement.
- 2.6.3 To submit reports to the ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee and to the Council, in consultation with the relevant Director, where a Director is unable to balance expenditure and resources within existing approved budgets under his/her control.
- 2.6.4 To prepare and submit reports on the Council's projected income and expenditure compared with the budget on a quarterly basis.
- 2.6.5 To approve fees and charges where the budgeted income is less than or equal to £2,000.

B.2.7 Responsibilities of Directors

- 2.7.1 To maintain budgetary control within their services, in adherence to the principles in 2.6.1, and to ensure that all income and expenditure is properly recorded and accounted for.
- 2.7.2 To ensure that an accountable budget manager is identified for each item of income and expenditure under the control of the Director. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.
- 2.7.3 To ensure that spending remains within the service's overall financial limit, and that individual budget headings are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- 2.7.4 To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and that it is operating effectively.
- 2.7.5 To ensure prior approval by the Council or ~~the Strategy and Resources Committee~~~~Programme committees (as appropriate)~~ for new proposals, of whatever amount, that:
 - a) create financial commitments in the current or future years;
 - b) change existing policies, initiate new policies or cease existing policies;
 - c) materially extend or reduce the Council's services.
- 2.7.6 To ensure compliance with the scheme of virement.
- 2.7.7 To agree with the relevant Director where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or another Director's level of service activity.

B.2.8 Budgets and the Medium-Term Financial Strategy (MTFS)

2.8.1 Why is this important?

- 2.8.1.1 The Council is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Council's plans and policies.

- 2.8.1.2 A report on new proposals should explain the full financial implications, following consultation with the Director of Resources. Unless the Council or the Strategy and Resources~~Finance & Corporate Services~~ Committee has agreed otherwise, Directors must plan to contain the financial implications of such proposals within the relevant financial limit.
- 2.8.1.3 The revenue budget must be constructed so as to ensure that resource allocation properly reflects the business plans and priorities of the Council. Budgets (spending plans) are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for a Council to budget for a deficit.
- 2.8.1.4 The annual strategic and financial planning process involves a cycle in which Directors develop their own plans for submission to the relevant Committee. As each year passes, another future year will be added to the MTFS. This ensures that the Council is always preparing for events in advance.

B.2.9 Key controls

- 2.9.1 The key controls for budgets and the MTFS are:
- a) specific budget approval for all expenditure;
 - b) budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the Council for their budgets and the level of service to be delivered;
 - c) a monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

B.2.10 Responsibilities of the Director of Resources

- 2.10.1 To prepare and submit reports on budget prospects to the Strategy and Resources~~Finance & Corporate Services~~ Committee including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.
- 2.10.2 To determine the detailed form of revenue estimates and the methods for their preparation.
- 2.10.3 To advise on the medium-term implications of spending decisions.
- 2.10.4 To encourage the best use of resources and value for money by working with Directors to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- 2.10.5 To advise the Council on proposals in accordance with his/her responsibilities under section 151 of the Local Government Act 1972.

B.2.11 Responsibilities of Directors

- 2.11.1 To prepare estimates of income and expenditure, in consultation with the Director of Resources.
- 2.11.2 To prepare budgets that are consistent with any relevant financial limits, with the Council's annual budget cycle and with guidelines issued by the Director of Resources.
- 2.11.3 To integrate financial and budget plans into business planning, so that budget plans can be supported by financial and non-financial performance measures.

2.11.4 In consultation with the Director of Resources and in accordance with the laid-down guidance and timetable, to prepare detailed draft revenue and capital budgets for consideration by the Strategy and Resources~~Finance & Corporate Services~~ Committee.

2.11.5 When drawing up draft budget requirements, to have regard to:

- a) spending patterns and pressures revealed through the budget monitoring process;
- b) legal requirements;
- c) requirements as defined by the Council in the Strategic and Financial Policy Process;
- d) initiatives already under way and any new service requirements that are likely to require funding within the financial year in question.

B.2.12 Resource allocation

2.12.1 Why is this important?

2.12.1.1 A mismatch often exists between available resources and required resources. A common scenario is that available resources are not adequate to fulfil need/desire. It is therefore imperative that needs/desires are carefully prioritised, taking account of the Council's legal responsibilities and that resources are allocated to meet the urgent priorities. Resources may include staff, money, equipment, goods and materials.

B.2.13 Key controls

2.13.1 The key controls for resource allocation are:

- a) resources are acquired in accordance with the law and allocated using an approved authorisation process;
- b) resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly accounted for;
- c) resources are securely held for use when required;
- d) resources are used in the most efficient manner.

B.2.14 Responsibilities of the Director of Resources

2.14.1 To coordinate the Strategic and Financial Planning process to ensure that resources are devoted to the Council's stated priorities.

2.14.2 To advise on methods available for the funding of expenditure plans.

B.2.15 Responsibilities of Directors

2.15.1 To deliver the Council's key objectives within budget limits and to utilise resources allocated, and further allocate resources, in the most efficient, effective and economic way.

2.15.2 To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

B.2.16 Capital programmes

2.16.1 Why is this important?

- 2.16.1.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.
- 2.16.1.2 The Government controls the financing capacity of the Council through the CIPFA Prudential Code. This means that capital expenditure should be integrated into the Council's Treasury Management Strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

B.2.17 Key controls

- 2.17.1 The key controls for capital programmes are:
- a) the development and implementation of asset management plans;
 - b) specific approval by the Council for the programme of capital expenditure;
 - c) a scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the Strategy and Resources~~Finance & Corporate Services~~ Committee;
 - d) proposals for improvements and alterations to buildings must be approved by the relevant Director;
 - e) accountability for each capital project is accepted by a named manager;
 - f) monitoring of progress in conjunction with expenditure and comparison with approved budget;
 - g) capital spending plans are to be in line with the approved Capital Strategy.

B.2.18 Responsibilities of the Director of Resources

- 2.18.1 To prepare the capital programme and estimates jointly with Directors and to report them to the Strategy and Resources~~Finance & Corporate Services~~ Committee for approval. The ~~Finance & Corporate Services~~ Committee will make recommendations on the capital programme and on any associated financing requirements to the Council.
- 2.18.2 To prepare and submit reports jointly with the officers defined as accountable for capital projects to the Strategy and Resources~~Finance & Corporate Services~~ Committee on the progress of the capital programme compared with the approved estimates.
- 2.18.3 Having regard to regulations determine the definition of 'capital'.

B.2.19 Responsibilities of Directors

- 2.19.1 To comply with guidance concerning capital schemes and controls issued by the Director of Resources.
- 2.19.2 To prepare and submit quarterly reports jointly with the Director of Resources to the Strategy and Resources~~Finance & Corporate Services~~ Committee on the progress of the capital programme compared with the approved estimates.

- 2.19.3 To prepare regular reports reviewing the capital programme provisions for their services. In consultation with the Director of Resources, to obtain authorisation from the Strategy and Resources~~Finance & Corporate Services~~ Committee and/or the Council for individual schemes where the estimated expenditure exceeds the capital programme provision by more than a specified amount (see **Appendix F**).
- 2.19.4 To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Director of Resources.
- 2.19.5 To ensure that adequate records are maintained for all capital contracts.
- 2.19.6 To proceed with projects only when there is adequate provision in the capital programme.
- 2.19.7 To prepare and submit reports, jointly with the Director of Resources, to the Strategy and Resources~~Programme committees~~ Committee, of any increase in contract costs in excess of the approved scheme and estimate, unless the excess can be met by virement from elsewhere within the capital programme. The authorisation limits for capital virements are set out in **Appendix F**.
- 2.19.8 To prepare and submit reports, jointly with the Director of Resources, to the Strategy and Resources~~Programme e~~Committees, where it appears that the final cost of a revenue or capital contract will exceed the approved contract sum by more than a specified financial limit (see **Appendix F**).
- 2.19.9 No leasing arrangements as defined by the Director of Resources shall be entered into without prior approval.

B.3. MAINTENANCE OF RESERVES

B.3.1 Why is this important?

- 3.1.1 The Council must decide the level of general reserves it wishes to maintain before it can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the Council to provide for unexpected events and thereby protect it from overspending, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items.

B.3.2 Key controls

- 3.2.1 To maintain reserves in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and agreed accounting policies.
- 3.2.2 For each reserve established, the purpose, usage and basis of transactions should be clearly identified and approved by the Strategy and Resources~~Finance & Corporate Services~~ Committee.

B.3.3 Responsibilities of the Director of Resources

- 3.3.1 To advise the Strategy and Resources~~Finance & Corporate Services~~ Committee and/or the Council on prudent levels of reserves for the Council.

B.3.4 Responsibilities of Directors

- 3.4.1 To ensure that resources are used only for the purposes for which they were intended.

C. RISK MANAGEMENT AND CONTROL OF RESOURCES

C.1. RISK MANAGEMENT

C.1.1 Why is this important?

- 1.1.1 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the organisation. In essence it is, therefore, an integral part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then recommending the action the organisation needs to take to control these risks effectively.
- 1.1.2 It is the overall responsibility of the Council to approve the Council's risk management strategy, and to promote a culture of risk management awareness throughout the Council.

C.1.2 Key controls

- 1.2.1 The key controls for risk management are:
- a) procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Council;
 - b) a monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls;
 - c) managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives;
 - d) provision is made for losses that might result from the risks that remain;
 - e) procedures are in place to investigate claims within required timescales
 - f) acceptable levels of risk are determined and insured against where appropriate;
 - g) the Council has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

C.1.3 Responsibilities of the Director of Strategy, Performance and Governance

- 1.3.1 To prepare and promote the Council's Risk Management Policy.
- 1.3.2 To develop risk management controls in conjunction with Directors.

C.1.4 Responsibilities of the Director of Resources

- 1.4.1 To include all appropriate employees of the Council in a suitable fidelity guarantee insurance.
- 1.4.2 To effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.

C.1.5 Responsibilities of Directors

- 1.5.1 To notify the Director of Resources immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Council's insurers.
- 1.5.2 To take responsibility for risk management, having regard to advice from the Director of Strategy, Performance and Governance ~~Resources~~ and other specialist officers (e.g. fire prevention, health and safety).
- 1.5.3 To ensure that there are regular reviews of risk within their Service.
- 1.5.4 To notify the Director of Resources promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- 1.5.5 To consult the Director of Resources and the Council's legal advisors on the terms of any indemnity that the authority is requested to give.
- 1.5.6 To ensure those employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

C.2. INTERNAL CONTROLS

C.2.1 Why is this important?

- 2.1.1 The Council is complex and beyond the direct control of a single individual. It therefore requires internal controls to manage and monitor progress towards strategic objectives.
- 2.1.2 The Council has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 2.1.3 The Council faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 2.1.4 The system of internal controls is established in order to provide measurable achievement of:
 - a) efficient and effective operations;
 - b) reliable financial information and reporting;
 - c) compliance with laws and regulations;
 - d) risk management.

C.2.2 Key controls

- 2.2.1 The key controls and control objectives for internal control systems are:
 - a) key controls should be reviewed on a regular basis;
 - b) managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities;

- c) financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems;
- d) an effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Auditing Practices Board's auditing guideline Guidance for Internal Auditors, CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom and with any other statutory obligations and regulations.

C.2.3 Responsibilities of the Director of Resources

- 2.3.1 To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

C.2.4 Responsibilities of Directors

- 2.4.1 To manage processes to check that established controls are understood and being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- 2.4.2 To review existing controls in the light of changes affecting the Council and to establish and implement new ones in line with guidance from the Director of Resources. Directors should also be responsible, after consultation with the Director of Resources, for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.

C.3. AUDIT REQUIREMENTS

C.3.1 Internal audit

3.1.1 Why is this important?

- 3.1.1.1 The Accounts and Audit Regulations 2015 (para 5) require that a “relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.
- 3.1.1.2 Internal Audit must be seen as independent. This is achieved through operating within a framework that allows unrestricted access to senior management, reporting in its own name and segregation as far as practical from line operations. The function reports directly to the ~~Director of Resources (also the e~~Officer designated under Section 151 of the Local Government Act 1972 as responsible for ensuring the proper administration of the Authority's financial affairs). Internal Audit also reports directly to the Performance, Governance and Audit Committee.

C.3.2 Key controls

- 3.2.1 The key controls for internal audit are:
 - a) that it is independent in its planning and operation;
 - b) the Audit Manager has direct access to the ~~Chief Executive,~~ Director of Resources, all levels of management and directly to elected Members;

- c) Internal Auditors work towards complying with the UK Public Sector Internal Audit Standards (PSIAS), and effort is made to preserve objectivity by ensuring staff are free from conflicts of interest. Therefore as far as is practical, Internal Audit will not participate in the day to day operation of any systems of internal financial control.

C.3.3 Responsibilities of the Director of Resources

- 3.3.1 To ensure that internal auditors have the authority to:
 - a) access Council premises at reasonable times;
 - b) access all assets, records, documents, correspondence and control systems ;
 - c) receive any information and explanation considered necessary concerning any matter under consideration;
 - d) require any employee of the Council to account for cash, materials or any other asset under his/her control;
 - e) access records belonging to third parties, such as contractors, when required;
 - f) obtain direct access to the Strategy and Resources~~Finance & Corporate Services~~ Committee and the Performance, Governance and Audit Committee.
- 3.3.2 To approve the annual audit plans, prepared by the Audit Manager, and present to the Performance, Governance and Audit Committee for their approval.
- 3.3.3 To prepare terms of reference for the internal audit function, for approval by the Performance, Governance and Audit Committee.
- 3.3.4 To ensure that effective procedures are in place to investigate promptly any fraud or irregularity.

C.3.4 Responsibilities of Directors

- 3.4.1 To ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 3.4.2 To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- 3.4.3 To respond to internal and external audit reports in writing, within a timescale agreed by the appropriate Director and the Director of Resources or External Auditor, detailing the action intended to address any recommendations.
- 3.4.4 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 3.4.5 To ensure that their staff report any suspicion of fraud, corruption or other financial irregularity in respect of Council funds, either directly, or via the Directors to the Director of Resources for investigation.
- 3.4.6 The Director of Resources must then arrange for appropriate investigation of the matter. The relevant Director must agree any further investigative action with the Director of Resources before proceeding.
- 3.4.7 The Director of Resources, in consultation with the relevant Director and the Monitoring Officer will advise whether any matter should be referred to the police for further investigation.

- 3.4.8 To ensure that the Director of Resources is given an opportunity, in a timely manner before live operation, to evaluate the adequacy of new systems for maintaining financial records, or records of assets, or changes to such systems.

C.3.5 External audit

3.5.1 Why is this important?

- 3.5.1.1 Under Schedule 1 of the Local Audit and Accountability Act 2014 all contracts for audit and related services, previously let by the Audit Commission, were transferred to Public Sector Audit Appointments Ltd on 1 April 2015. The external auditor has rights of access to all documents and information necessary for audit purposes (para 22 2014 Act).

- 3.5.1.2 The general duties of the external auditor are defined in the Local Audit and Accountability Act 2014 (para 20) and the Local Government Act 1999. In particular, Schedule 6 of the 2014 Act sets out that the Comptroller & Auditor General is responsible for preparing a code of audit practice, which external auditors follow when carrying out their duties. Schedule 1 of the code of audit practice sets out the auditor's statutory responsibilities across 3 main headings:

- a) Audit Scope;
- b) Reporting;
- c) Additional powers and duties.

- 3.5.1.3 The Council's accounts are scrutinised by external auditors, who must be satisfied that the Statement of Accounts 'presents a true and fair view' (Para 20 2014 Act) of the financial position of the Council and its income and expenditure for the year in question and complies with the legal requirements.

C.3.6 Key controls

- 3.6.1 External auditors were initially appointed by Public Sector Audit Appointments Ltd, however subsequent appointments are to be made by the Local Authority for a maximum period of five years. The Comptroller & Auditor General (National Audit Office) prepares the code of audit practice, which external auditors follow when carrying out their audits.

C.3.7 Responsibilities of the Director of Resources

- 3.7.1 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets that the external auditors consider necessary for the purposes of their work.
- 3.7.2 To work with the external auditor and advise the Council, and Directors on their responsibilities in relation to external audit.
- 3.7.3 To ensure there is effective liaison between external and internal audit.

C.3.8 Responsibilities of Directors

- 3.8.1 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.
- 3.8.2 To ensure that all records and systems are up to date and available for inspection.

C.4. PREVENTING FRAUD AND CORRUPTION

C.4.1 Why is it this important?

- 4.1.1 The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Council.
- 4.1.2 The Council's expectation of propriety and accountability is that Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 4.1.3 The Council also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the Council with integrity and without thought of or actions involving fraud and corruption. It must guard against the possibility that these expectations will not be fulfilled in all respects.

C.4.2 Key controls

- 4.2.1 The key controls regarding the prevention of financial irregularities are that:
 - a) the Council has an effective Anti-Fraud and Anti-Corruption Policy and maintains a culture that will not tolerate fraud or corruption;
 - b) all Members and staff act with integrity and lead by example as per the relevant Code of Conduct;
 - c) Managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Council or who are corrupt;
 - d) high standards of conduct are promoted amongst Members by the Joint Standards Committee;
 - e) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded;
 - f) "whistle blowing" procedures are in place and operate effectively;
 - g) legislation including the Public Interest Disclosure Act 1998 is adhered to.

C.4.3 Responsibilities of the Director of Strategy Performance and Governance.

- 4.3.1 To maintain and review an Anti-Fraud Policy.

C.4.4 Responsibilities of the Director of Resources

- 4.4.1 To maintain adequate and effective internal control arrangements.
- 4.4.3 To ensure that all suspected irregularities are investigated, and all proven irregularities reported to the Monitoring Officer and S151 Officer.

C.4.5 Responsibilities of Directors

- 4.5.1 To ensure that all suspected irregularities are reported to the Director of Resources
- 4.5.2 To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.

- 4.5.3 To ensure that where financial impropriety is discovered, the Director of Resources is informed. Where sufficient evidence exists to believe that a criminal offence may have been committed, after consultation with the Director of Resources, relevant Director, to ensure that the Police are called in.

C.4.6 Responsibility of the Monitoring Officer

- 4.6.1 To maintain a register of Member interests.

C.5. ASSETS

C.5.1 Security

5.1.1 Why is this important?

- 5.1.1.1 The Council holds assets in the form of property, vehicles, equipment, furniture and other items worth millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

C.5.2 Key controls

- 5.2.1 The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:
- a) resources are used only for the purposes of the Council and are properly accounted for;
 - b) resources are available for use when required;
 - c) resources no longer required are disposed of in accordance with the law and the regulations of the Council so as to maximise benefits;
 - d) an asset register is maintained for the Council, assets are recorded when they are acquired by the Council and this record is updated as changes occur with respect to the location, value and condition of the asset;
 - e) all staff are aware of their responsibilities with regard to safeguarding the Council's assets and information, including the requirements of the Data Protection Act and software copyright legislation;
 - f) all staff are aware of their responsibilities with regard to safeguarding the security of the Council's Information Communication Technology (ICT) Systems, including maintaining restricted access to the information held on them and compliance with the Council's Information Communication Technology and internet security policies.

C.5.3 Responsibilities of the Director of Resources

- 5.3.1 To ensure that an asset register is maintained in accordance with good practice for all fixed assets with a value in excess of a specified financial limit (see **Appendix F**). The function of the asset register is to provide the Council with information about fixed assets so that they are:
- a) safeguarded;
 - b) used efficiently and effectively;
 - c) adequately maintained.

- 5.3.2 To receive the information required for accounting, costing and financial records from each Director.
- 5.3.3 To ensure that assets are valued in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

C.5.4 Responsibilities of Directors

- 5.4.1 A property database shall be maintained by the Director of Resources for all properties, plant and machinery and moveable assets currently owned or used by the Council subject to the minimum values specified in **Appendix F**. Any use of property by a service other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 5.4.2 To ensure that lessees and other prospective occupiers of council owned land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Council's legal advisor, has been established.
- 5.4.3 To ensure the proper security of all buildings and other assets under their control in accordance with laid down guidelines.
- 5.4.4 Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a joint report by the Director and the Director of Resources (see **Appendix F**).
- 5.4.5 To pass title deeds to Land Charges/the Monitoring Officer ~~who is~~ responsible for maintaining the central repository of all title deeds.
- 5.4.6 To ensure that no Council asset is subject to personal use by a Member or employee without prior agreement of the relevant Director.
- 5.4.7 To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council.
- 5.4.8 To ensure that an inventory is maintained of moveable assets (subject to limits in **Appendix F**) in accordance with arrangements defined by the Corporate Leadership Team.
- 5.4.9 To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 5.4.10 To consult the Director of Resources in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 5.4.11 To ensure cash holdings on premises are kept to a minimum.
- 5.4.12 To ensure that keys to safes and similar receptacles are ~~carried~~ kept secure on ~~by~~ the person of those responsible at all times; loss of any such keys must be reported to the Director of Resources as soon as possible.
- 5.4.13 To record all disposals or part exchange of assets that should normally be by competitive tender or public auction in accordance with **Contract Procedure Rules**, unless, the Strategy and Resources~~Finance & Corporate Services~~ Committee agrees otherwise.

- 5.4.14 To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.
- 5.4.15 To maintain inventories and record an adequate description of furniture, fittings, equipment, plant and machinery above a specified financial limit in value (see **Appendix F**).
- 5.4.16 To carry out an annual check of all items on the inventory in order to verify location and condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers and cameras should be identified with security markings as belonging to the Council.
- 5.4.17 To make sure that property is only used in the course of the Council's business, unless the Director concerned has given permission otherwise.

C.5.5 Asset disposal

5.5.1 Why is this important?

- 5.5.1.1 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the regulations of the Council.

C.5.6 Key controls

- 5.6.1 Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the Council, and best price is obtained in accordance with ***Contract Procedure Rules*** and bearing in mind other factors, such as environmental issues.
- 5.6.2 Procedures protect staff involved in the disposal from accusations of personal gain.

C.5.7 Responsibilities of the Director of Resources

- 5.7.1 To issue advice on disposal in accordance with ***Contract Procedure Rules***.
- 5.7.2 To ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds if appropriate.

C.6. TREASURY MANAGEMENT

C.6.1 Why is this important?

- 6.1.1 Millions of pounds pass through the Council's accounts each year. This requires the establishment of codes of practice. These aim to provide assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's investment.

C.6.2 Key controls

- 6.2.1 That the Council's borrowings and investments comply with the CIPFA Code of Practice on Treasury Management and with the Council's treasury management practices (TMP's).

- 6.2.2 That the ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee receives reports on Treasury activity at least twice a year in accordance with the code of practice and that the Treasury Management Strategy is subject to annual scrutiny before it is agreed.

C.6.3 Responsibilities of Director of Resources – treasury management and banking

- 6.3.1 To arrange the borrowing and investments of the Council in such a manner as to comply with the CIPFA Code of Practice on Treasury Management and the Council's treasury management practices and strategy.
- 6.3.2 To prepare reports for the consideration of the ~~Strategy and Resources~~~~Finance & Corporate Services and Overview & Scrutiny~~ Committees.
- 6.3.3 To operate bank accounts as are considered necessary – opening or closing any bank account shall require the written approval of the Director of Resources in accordance with the Banking Mandate (**Appendix G**).

C.6.4 Responsibilities of Directors – treasury management and banking

- 6.4.1 To follow the instructions on banking issued by the Director of Resources.

C.6.5 Responsibilities of Director of Resources – investments and borrowing

- 6.5.1 To ensure that all investments of money are made in the name of the Council.
- 6.5.2 To ensure that all securities that are the property of the Council and the title deeds of all property in the Council's ownership are held in the custody of Land Charges/relevant responsible Officer~~the Monitoring Officer~~ or under arrangements approved by the Director of Resources.
- 6.5.3 To effect all borrowings in the name of the Council.
- 6.5.4 To maintain records of all borrowing of money by the Council.

C.6.6 Responsibilities of Directors – investments and borrowing

- 6.6.1 To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Council.

C.6.7 Responsibilities of Directors – funds held for third parties

- 6.7.1 To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Director of Resources, and to maintain written records of all transactions.

C.6.8 Responsibilities of the Director of Resources – imprest accounts

- 6.8.1 To provide employees of the Council with cash imprest accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts. Minor items of expenditure should not exceed the prescribed amount.
- 6.8.2 To determine the petty cash limit and to maintain a record of all transactions and petty cash advances made, and periodically to review the arrangements for the safe custody and control of these advances.

- 6.8.3 To reimburse imprest holders, as often as necessary, to restore the imprests.

C.6.9 Responsibilities of Directors – imprest accounts

- 6.9.1 To ensure that employees operating an imprest account:
- a) obtain and retain vouchers to support each payment from the imprest account. Where appropriate, an official receipted VAT invoice must be obtained;
 - b) make adequate arrangements for the safe custody of the account;
 - c) produce upon demand by the Director of Resources cash and all vouchers to the total value of the imprest amount;
 - d) record transactions promptly;
 - e) reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the imprest holder;
 - f) provide the Director of Resources with a certificate of the value of the account held at 31 March each year;
 - g) ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made.

C.7. STAFFING

C.7.1 Why is this important?

- 7.1.1 In order to provide the highest level of service, it is crucial that the Council recruits and retains high calibre, knowledgeable staff, qualified to an appropriate level.

C.7.2 Key controls

- 7.2.1 The key controls for staffing are:
- a) procedures are in place for forecasting staffing requirements and cost;
 - b) controls are implemented to ensure that staff time is used efficiently and to the benefit of the Council;
 - c) checks are undertaken prior to employing new staff to ensure that they are appropriately qualified, experienced, lawfully resident and trustworthy.

C.7.3 Responsibilities of the Director of Resources

- 7.3.1 To act as an advisor to Directors on areas such as Income Tax, National Insurance and pension contributions, as appropriate.
- 7.3.2 To ensure that staff costs are charged accurately to allow Directors to monitor staffing budgets effectively.

C.7.4 Responsibilities of Directors

- 7.4.1 To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.

- 7.4.2 To ensure that the staffing budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.
- 7.4.3 To ensure that the Director of Resources is immediately informed if the staffing budget is likely to be materially over- or under-spent.

D. FINANCIAL SYSTEMS AND PROCEDURES

D.1. GENERAL

D.1.1 Why is this important?

1.1.1 Services have systems and procedures relating to the control of the Council's assets. Services are reliant on computers for their financial management information. The information must therefore be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.

1.1.2 The Director of Resources is responsible for ensuring that the authority's financial systems are sound and should therefore be notified of any new developments or changes.

D.1.2 Key controls

1.2.1 The key controls for systems and procedures are:

- a) basic data exists to enable the Council's objectives, targets, budgets and plans to be formulated;
- b) performance is communicated to the appropriate managers on an accurate, complete and timely basis;
- c) early warning is provided of deviations from target, plans and budgets that require management attention;
- d) operating systems and procedures are secure.

D.1.3 Responsibilities of the Director of Resources

1.3.1 To make arrangements for the proper administration of the Council's financial affairs, including to:

- a) issue advice, guidance and procedures for officers and others acting on the Council's behalf;
- b) determine the accounting systems, form of accounts and supporting financial records;
- c) establish arrangements for audit of the Council's financial affairs;
- d) approve any new financial systems to be introduced;
- e) approve any changes to be made to existing financial systems.

1.3.2 To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.

1.3.3 To ensure that, where appropriate, computer systems are registered in accordance with Data Protection legislation and that staff are aware of their responsibilities under the legislation.

D.1.4 Responsibilities of Directors

1.4.1 To ensure that accounting records are properly maintained and held securely.

1.4.2 To ensure that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Director of Resources.

- 1.4.3 To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- 1.4.4 To incorporate appropriate controls to ensure that, where relevant:
- a) all input is genuine, complete, accurate, timely and not previously processed;
 - b) all processing is carried out in an accurate, complete and timely manner;
 - c) output from the system is complete, accurate and timely.
- 1.4.5 To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.
- 1.4.6 To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- 1.4.7 To ensure that systems are documented and staff trained in operations.
- 1.4.8 To consult with the Director of Resources before changing any existing system or introducing new systems.
- 1.4.9 In consultation with the Director of Resources to establish a scheme of delegation identifying officers authorised to act upon the Directors behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.
- 1.4.10 To supply lists of authorised officers, with specimen signatures and delegated limits, to the Director of Resources, together with any subsequent variations.
- 1.4.11 To ensure that relevant standards and guidelines for ICT systems issued by the Director of Resources or ~~IT Manager~~Lead Specialist ICT are observed.
- 1.4.12 To ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc.
- 1.4.13 To comply with the copyright, designs and patents legislation and, in particular, to ensure that:
- a) only software legally acquired and installed by the Council is used on its computers;
 - b) staff are aware of legislative provisions;
 - c) in developing systems, due regard is given to the issue of intellectual property rights.

D.2. INCOME AND EXPENDITURE

D.2.1 Income

2.1.1 Why is this important?

- 2.1.1.1 Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cash-flow and also avoids the time and cost of administering debts.

D.2.2 Key controls

- 2.2.1 The key controls for income are:

- a) all income due to the Council is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed;
- b) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery;
- c) all money received by an employee on behalf of the Council is paid in without delay through the Council's payment facility, as the Director of Resources directs, to the Council's bank account, and properly recorded. The responsibility for cash collection should be separated from that:
 - i. for identifying the amount due
 - ii. for reconciling the amount due to the amount received
- d) effective action is taken to pursue non-payment within defined timescales;
- e) formal approval for debt write-off is obtained;
- f) appropriate write-off action is taken within defined timescales;
- g) appropriate accounting adjustments are made following write-off action;
- h) all appropriate income documents are retained and stored for the defined period in accordance with the document retention guidelines;
- i) money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

D.2.3 Responsibilities of the Director of Resources

- 2.3.1 To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.
- 2.3.2 To approve all debts to be written off in consultation with the relevant Director and to keep a record of all sums written off up to the approved limit and to adhere to the requirements of the Accounts and Audit Regulations 2015.
- 2.3.3 To obtain the approval of the ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee in consultation with the relevant Director for writing off debts in excess of a specified financial limit (see **Appendix F**)
- 2.3.4 To ensure that appropriate accounting adjustments are made following write-off action.
- 2.3.5 To order and supply to services all receipt forms, books or tickets and similar items and to satisfy himself/herself regarding the arrangements for their control.

D.2.4 Responsibilities of Directors

- 2.4.1 To implement the charging policy for the supply of goods or services, including the appropriate charging of VAT (in consultation with the Director of Resources where appropriate), and to review it regularly, in line with corporate policies.
- 2.4.2 To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.
- 2.4.3 To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.
- 2.4.4 To issue official receipts or to maintain other documentation for income collection.

- 2.4.5 To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- 2.4.6 To hold securely receipts, tickets and other records of income for the appropriate period in accordance with the documentation retention policy.
- 2.4.7 To secure all income to safeguard against loss or theft, and to ensure the security of cash handling.
- 2.4.8 To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded on paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis.
- 2.4.9 To ensure personal cheques or other payments are not en-cashed.
- 2.4.10 To supply the Director of Resources with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Director of Resources to record correctly the sums due to the Council and to ensure accounts are sent out promptly. Directors have a responsibility to assist the Director of Resources in collecting debts that they have originated, by providing any further information requested about the debtor, and in pursuing the matter on the Council's behalf.
- 2.4.11 To notify the Director of Resources of outstanding income relating to the previous financial year as soon as possible after 31st March in line with the timetable determined by the Director of Resources and not later than 15th April.

D.3. ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

D.3.1 Why is this important?

- 3.1.1 Public money should be spent with demonstrable probity and in accordance with the Council's policies. Authorities have a statutory duty to achieve best value in part through economy and efficiency. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's ***Contract Procedure Rules***.

D.3.2 General

- 3.2.1 Every Officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council, in accordance with appropriate codes of conduct.
- 3.2.2 Official orders must be in a form approved by the Director of Resources. Official orders must be issued for all work, goods or services to be supplied to the Council, except for supplies of utilities, periodic payments, petty cash purchases or other exceptions specified by the Director of Resources.
- 3.3.3 Each order must conform to the guidelines approved by the Council on procurement Standard terms and conditions and must not be varied without the prior approval of the Director of Resources.

- 3.3.4 Apart from petty cash, the normal method of payment from the Council shall be by BACS drawn on the Council's bank account by the Director of Resources. The use of direct debit shall require the prior agreement of the Director of Resources. The use of Council procurement/business cards by non card holders shall require the prior agreement of the Director of Resources.
- 3.3.5 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts, except where there is a specific Council policy to the contrary.
- 3.3.6 Detailed regulations relating to Procurement are set out in the Council's ***Contract Procedure Rules***.
- 3.3.7 Where an order is not appropriate as discussed in section 3.2.2, authorisation must be provided on the specified form and attached to the invoice for payment. Authorisation thresholds for Officers are set out in **Appendix H**.

D.3.3 Key controls

- 3.3.1 The key controls for ordering and paying for work, goods and services are:
- a) all goods and services are ordered only by authorised persons and are correctly recorded;
 - b) all goods and services shall be ordered in accordance with the Council's ***Contract Procedures Rules***;
 - c) goods and services received are checked to ensure they are in accordance with the order;
 - d) payments are not made unless goods have been received by the Council to the correct price, quantity and quality standards;
 - e) all payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method;
 - f) all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention guidelines;
 - g) all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected by journal;
 - h) in addition e-commerce requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

D.3.4 Responsibilities of the Director of Resources

- 3.4.1 To ensure that all the Council's financial systems and procedures are sound and properly administered.
- 3.4.2 To approve any changes to existing financial systems and to approve any new systems before they are introduced.
- 3.4.3 To approve the form of official orders and associated terms and conditions in consultation with the Council's legal advisors.
- 3.4.4 To make payments from the Council's funds on the Director's authorisation that the expenditure has been duly incurred in accordance with financial regulations.
- 3.4.5 To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.

- 3.4.6 To make payments to contractors on the certificate of the appropriate Director, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- 3.4.7 To provide advice and encouragement on making payments by the most economical means, in accordance with the Council's Procurement Strategy and associated guidance.
- 3.4.8 To ensure that payment is not made unless a proper VAT invoice, where appropriate, has been received, checked and coded, confirming:
- (a) that the invoice has not previously been paid;
 - (b) that expenditure has been properly incurred;
 - (c) that prices and arithmetic are correct;
 - (d) correct accounting treatment of tax;
 - (e) that discounts have been taken where available;
 - (f) that appropriate entries will be made in accounting records.
- 3.4.9 To ensure that payments are not made on a photocopied or faxed invoice, statement or other document other than the formal invoice, except where the original invoice has been lost, in which case a check must be made to see if payment has been made and if it has not the copy annotated accordingly prior to payment.

D.3.5 Responsibilities of Directors

- 3.5.1 To ensure that official orders are issued via the e-procurement system for all goods and services, other than the exceptions as specified in 3.2.2.
- 3.5.2 To ensure that orders are only used for goods and services provided to the service. Individuals must not use official orders to obtain goods or services for their private use (see 3.3.5).
- 3.5.3 To ensure that only staff authorised to raise orders (Buyers) via the e-procurements system have access to the system. To ensure that only staff authorised to approve orders above the specified limit have access to the system. Buyers and Approvers should be satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best Value principles should underpin the Council's approach to procurement. Value for money should always be achieved.
- 3.5.4 To ensure that goods and services are checked on receipt to verify that they are in accordance with the order. This check should, where possible, be carried out by a different officer from the person who authorised the order. Appropriate entries should then be made in inventories if necessary.
- 3.5.5 To ensure that the e-payment system is updated to show the receipt of goods, immediately after the goods are received.
- 3.5.6 Wherever possible to ensure that two authorised members of staff are involved in the ordering and receiving process.
- 3.5.7 To encourage suppliers of goods and services to receive payment by the most economical means for the Council. It is essential, however, that payments made by direct debit have the prior approval of the Director of Resources.

- 3.5.8 To ensure that the service obtains best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality. Due regard to be taken of the Council's procurement strategy and associated procurement guidance.
- 3.5.9 To ensure that employees are aware of the national code of conduct for local government employees specified in personnel policies.
- 3.5.10 To ensure that, loans, leasing or rental arrangements are not entered into without prior agreement from the Director of Resources.
- 3.5.11 To notify the Director of Resources of outstanding expenditure relating to the previous financial year as soon as possible after 31st March in line with the timetable determined by the Director of Resources.
- 3.5.12 With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Director of Resources the systems and procedures to be adopted in relation to financial aspects. This includes certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status.
- 3.5.13 To notify the Director of Resources immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 3.5.14 To ensure that all appropriate payment records are retained and stored for the defined period, in accordance with the document retention guidelines.

D.4. PAYMENTS TO EMPLOYEES AND MEMBERS

D.4.1 Why is this important?

- 4.1.1 Staff costs are the largest item of expenditure for most Council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the Council and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are authorised in accordance with the scheme adopted by the Council.

D.4.2 Key controls

- 4.2.1 The key controls for payments to employees and Members are:
 - (a) proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:
 - i. starters
 - ii. leavers
 - iii. variations
 - iv. enhancements
 - v. and that payments are made on the basis of timesheets or claims;
 - vi. frequent reconciliation of payroll expenditure against approved budget and bank account;
 - (b) all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention guidelines;
 - (c) that HM Revenues and Customs regulations are complied with.

D.4.3 Responsibilities of the Director of Resources

- 4.3.1 To arrange and control the secure and reliable payment of salaries, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him/her, on the due date.
- 4.3.2 To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention guidelines.
- 4.3.3 To record and make arrangements for the accurate and timely payment of tax, pensions and other deductions.
- 4.3.4 To make arrangements for payment of all travel and subsistence claims.
- 4.3.5 To make arrangements for paying Members travel or other allowances upon receiving the prescribed form, duly completed and authorised.
- 4.3.6 To ensure that adequate and effective systems and procedures are operated, so that:
 - (a) payments are only authorised to bona fide employees;
 - (b) payments are only made where there is a valid entitlement;
 - (c) conditions and contracts of employment are correctly applied, employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- 4.3.7 To ensure that the Director of Resources is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system (P11d).

D.4.4 Responsibilities of Directors

- 4.4.1 To send an up-to-date list of the names of officers authorised to sign records to the Director of Resources, together with specimen signatures.
- 4.4.2 To ensure that payroll transactions are processed only through the payroll system. Directors should give careful consideration to the employment status of individuals employed on a self-employed consultant or subcontract basis. HM Revenues and Customs applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Director of Resources.
- 4.4.3 To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and the Director of Resources is informed where appropriate.
- 4.4.4 To make, having regard to the particular circumstances of each case, ex gratia payments not exceeding a specified financial limit (see **Appendix F**) in any one case, subject to consultation with the Director of Resources. The circumstances of the proposed payment must not have the effect of circumventing other Council pay and allowance policies, tax rules or other legislation.
- 4.4.5 To notify the Director of Resources of all appointments, terminations or variations that may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Director of Resources.

- 4.4.6 To ensure appointments are made in accordance with the regulations of the Council and approved establishments, grades and scale of pay and that adequate budget provision is available.

D.4.5 Responsibilities of Members and Officers

- 4.5.1 To submit claims for travel and subsistence allowances on a monthly basis and, in any event, within one month of the year end.

D.5. TAXATION

D.5.1 Why is this important?

- 5.1.1 Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers to be aware of their role.

D.5.2 Key controls

- 5.2.1 The key controls for taxation are:
- (a) Finance staff remain abreast of tax legislation, in particular that relating to PAYE, NICs, CIS and VAT.
 - (b) budget managers are provided with relevant information and kept up to date on tax issues;
 - (c) budget managers are instructed on required record keeping;
 - (d) all taxable transactions are identified, properly carried out, accounted for within stipulated time-scales and paid through appropriate financial systems;
 - (e) records are maintained in accordance with instructions;
 - (f) returns are made to the appropriate authorities within the stipulated timescale.

D.5.3 Responsibilities of the Director of Resources

- 5.3.1 To complete all HM Revenues and Customs returns regarding PAYE and NIC's.
- 5.3.2 To complete a monthly return of VAT inputs and outputs to HM Revenues and Customs.
- 5.3.3 To provide details to HM Revenues and Customs regarding the construction industry tax deduction scheme in accordance with their deadlines.
- 5.3.4 To provide guidance for Council employees on taxation issues (including VAT).

D.5.4 Responsibilities of Directors

- 5.4.1 To ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Revenues and Customs regulations.
- 5.4.2 To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- 5.4.3 To follow any guidance on taxation issued by the Director of Resources.

D.6. TRADING ACCOUNTS AND BUSINESS UNITS

D.6.1 Why is this important?

- 6.1.1 Trading accounts have become more important as local authorities have developed a more commercial culture.

D.6.2 General

- 6.2.1 Trading activities must operate within the Council's overall arrangements and rules for financial, personnel and resource management. Exceptionally, where it can be demonstrated that this would lead to a unit being uncompetitive and losing work, special arrangements can be considered. While the ~~C~~Programme committees have an overall responsibility for the operations of trading activities, clearly trading activities need freedom within this framework to operate on a commercial basis. Trading activities must adhere to Financial Regulations, unless alternative arrangements are explicitly identified and agreed in writing with the Director of Resources.

D.6.3 Responsibilities of the Director of Resources

- 6.3.1 To advise on the establishment and operation of trading accounts.

D.6.4 Responsibilities of Directors

- 6.4.1 To ensure that the control of the trading activity will be to the financial target (the 'bottom line') rather than to individual expenditure and income estimate headings
- 6.4.2 To ensure that as a minimum, a break even position should be achieved.
- 6.4.3 To report to the ~~Strategy and Resources~~Finance & Corporate Services Committee, where a trading activity plans a significant item of expenditure (e.g. a capital scheme, the purchase of a major item of computer software or the creation of a major ongoing revenue commitment), prior to the expenditure being committed, unless already in an approved capital programme
- 6.4.4 To make a full report to the ~~Strategy and Resources~~Finance & Corporate Services Committee, as soon as it is known that the trading activity may make a deficit.
- 6.4.5 To make a report to the ~~Strategy and Resources~~Finance & Corporate Services Committee on the outturn of each trading activity compared to the financial plan.
- 6.4.6 To consult with the Director of Resources and the Council's legal advisors where a trading activity wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.

E. EXTERNAL ARRANGEMENTS

E.1. PARTNERSHIPS

E.1.1 Why is this important?

1.1.1 Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.

1.1.2 Local authorities usually act as an “enabler” and will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.

E.1.2 General

1.2.1 The main reasons for entering into a partnership are:

- a) the desire to find new ways to share risk;
- b) the ability to access new resources;
- c) to provide new and better ways of delivering services;
- d) to forge new relationships.

1.2.2 A partner is defined as either:

- a) an organisation (private or public) undertaking, part funding or participating as a beneficiary in a project or;
- b) a body whose nature or status give it a right or obligation to support the project.

1.2.3 Partners participate in projects by:

- a) acting as a project deliverer or sponsor, solely or in concert with others;
- b) acting as a project funder or part funder;
- c) being the beneficiary group of the activity undertaken in a project.

1.2.4 Partners have common responsibilities:

- a) to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation;
- b) to act in good faith at all times and in the best interests of the partnership’s aims and objectives;
- c) be open about any conflict of interests that might arise;
- d) to encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors;
- e) to hold confidentially any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature;
- f) to act wherever possible as ambassadors for the project.

E.1.3 Key controls

1.3.1 The key controls for Council partners are:

- a) if appropriate, to be aware of their responsibilities under the Council's financial regulations and procedures together with ***Contract Procedure Rules***;
- b) to ensure that risk management processes are in place to identify and assess all known risks;
- c) to ensure that project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise;
- d) to agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences;
- e) to communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

E.1.4 Responsibilities of the Director of Resources

1.4.1 To advise on effective controls that will ensure that resources are not wasted.

1.4.2 To advise on the key elements of funding a project. They include:

- a) a scheme appraisal for financial viability in both the current and future years;
- b) risk appraisal and management;
- c) resourcing, including taxation issues;
- d) audit, security and control requirements;
- e) carry-forward arrangements.

1.4.3 To ensure that the accounting arrangements are satisfactory.

1.4.4 To maintain a register of all contracts entered into with external bodies.

1.4.5 To ensure that spending has occurred in line with the terms and conditions and any eligibility criteria.

E.1.5 Responsibilities of Directors

1.5.1 To ensure that, before entering into agreements with external bodies the Council's legal advisors are consulted.

1.5.2 To ensure that, before entering into agreements with external bodies, a risk management appraisal has been prepared.

1.5.3 To ensure that such agreements and arrangements do not impact adversely upon the services provided by the Council.

1.5.4 To ensure that all agreements and arrangements are properly documented.

1.5.5 To provide appropriate information to the Director of Resources to enable a note to be entered into the Council's Statement of Accounts concerning material items.

E.2. EXTERNAL FUNDING

E.2.1 Why is this important?

- 2.1.1 External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Council. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external agencies provide additional resources to enable the Council to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Council's overall plan.

E.2.2 Key controls

- 2.2.1 The key controls for external funding are:
- a) to ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood;
 - b) to ensure that funds are acquired only to meet the priorities approved in the policy framework by the Council;
 - c) to ensure that any match-funding requirements and future revenue implications are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

E.2.3 Responsibilities of the Director of Resources

- 2.3.1 To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- 2.3.2 To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.
- 2.3.3 To ensure that audit requirements are met.

E.2.4 Responsibilities of Directors

- 2.4.1 To ensure that all claims for funds are made by the due date.
- 2.4.2 To ensure that the project progresses in accordance with the agreed project and that all expenditure is properly incurred and recorded.

E.3. WORK FOR THIRD PARTIES

E.3.1 Why is this important?

- 3.1.1 Legislation enables the Council to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risk associated with this work is minimised and that such work is intra vires.

E.3.2 Key controls

- 3.2.1 The key controls for working with third parties are:

- a) to ensure that proposals are costed properly in accordance with guidance provided by the Director of Resources;
- b) to ensure that contracts are drawn up using guidance provided by the Director of Resources and that the formal approvals process is adhered to;
- c) to issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

E.3.3 Responsibilities of Director of Resources

- 3.3.1 To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

E.3.4 Responsibilities of Directors

- 3.4.1 To ensure that the approval of the appropriate ~~C~~Programme committee is obtained before any negotiations are concluded to work for third parties.
- 3.4.2 To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Director of Resources.
- 3.4.3 To ensure that appropriate insurance arrangements are made.
- 3.4.4 To ensure that the Council is not put at risk from any bad debts.
- 3.4.5 To ensure that no contract is subsidised by the Council.
- 3.4.6 To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- 3.4.7 To ensure that the service has the appropriate expertise to undertake the contract.
- 3.4.8 To ensure that such contracts do not impact adversely upon the services provided for the Council.
- 3.4.9 To ensure that all contracts are properly documented.
- 3.4.10 To provide appropriate information to the Director of Resources to enable a note to be entered into the Statement of Accounts.

F. FINANCIAL LIMITS

F.1. General

F.1.1 Throughout these regulations, there are references to financial limits. These limits will need to be reviewed on a regular basis and, consequently, the latest figures have been consolidated in this appendix in order to facilitate any future changes. The regulations which contain financial limits are listed below:

F.1.2 Virements between Directorates require the approval of the Strategy and Resources~~Finance & Corporate Services~~ Committee subject to the authorisation limits set out below. For the purpose of virements, salaries are to be considered as a Directorate in their own right, ~~and are under the control of the Head of Paid Service.~~

F.1.3 The use of reserves is to be approved through the same authorisation process as virements where not approved as part of the annual budget or accounts processes, or have specific delegation.

F.1.4 The financial limits for approval of revenue virements and revenue supplementary estimates are set out below:

(a) Virements within same Directorate

Relevant Director and Director of Resources

(b) Virements between different Directorates

- (i) Up to **£20,000** – Director and Director of Resources, ~~and reported quarterly to members via email.~~
- (ii) Over **£20,000** up to **£50,000** - Director, Director of Resources in consultation with Chairman of the Strategy and Resources~~relevant Programme committee Chairman;~~ and reported to the next Strategy and Resources~~Finance & Corporate Services~~ Committee meeting;
- (iii) Over **£50,000** - the Finance & Corporate Services Committee.

(c) Supplementary Estimates

- (i) Up to **£20,000** – Director and Director of Resources in consultation with the Chairman of the Strategy and Resources~~Finance & Corporate Services~~ Committee and the Leader and reported to the next Strategy and Resources~~Finance & Corporate Services~~ Committee;
- (ii) Over **£20,000** – the Strategy and Resources~~Finance & Corporate Services~~ Committee.

NB One of the Council's budget policies is to only agree supplementary estimates in exceptional circumstances.

F.1.5 A capital scheme (an identifiable project) is where expenditure exceeds **£10,000**.

F.1.6 The financial limits for approval of capital virements and capital supplementary estimates are the same as for revenue.

F.1.7 Any excess expenditure over the approved contract sum of more than **5%** or **£10,000** whichever is the greater must be reported to the Strategy and Resources~~Programme~~
Ceommittee (Appendix B paragraph 2.19.8).

- F.1.8 The asset register shall contain all assets with a value in excess of **£10,000** (Appendix C paragraph 5.3.1).
- F.1.9 All items with a value in excess of **£500** shall be included in inventories (Appendix C paragraph 5.4.15). IT assets (laptops, monitors, printers etc but excluding IT peripherals) are an exception to this limit as are more desirable, and are all recorded on the IT inventory.
- | F.1.10 ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee approval is required to declare land surplus to requirements where the value exceeds **£10,000** (Appendix C paragraph 5.4.4).
- | F.1.11 ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee approval is required to write-off bad debts in excess of **£10,000** (Appendix D paragraph 2.3.3), in the case of Non Domestic Rates Debts this is increased to **£20,000**.
- | F.1.12 ~~Strategy and Resources~~~~Finance & Corporate Services~~ Committee approval is required to make ex-gratia payments in excess of **£2,000** (Appendix D paragraph 4.4.4).
- F.1.13 Finance limits relating to contracts are contained in the Council's ***Contract Procedure Rules***.

G. BANK MANDATE

- G.1. Cheques are only to be issued in emergencies and will be from the contingency cheque book.
- G.2. Cheques above £10,000 shall be countersigned by the Director of Resources or, in his/her absence, the Director of Service Delivery or the Director of Strategy Performance and Governance.
- G.3. Amendments to cheques can be countersigned by the above and additionally the Resources Specialist Manager for cheques up to £10,000.
- G.4. Manual CHAPS payments shall be signed by any of the following:
- a) Director of Resources
 - b) Director of Service Delivery
 - c) Director of Strategy Performance and Governance
- G.5. All arrangements with the Council's financial institutions shall be made by the Director of Resources who shall be authorised to operate such banking accounts/investments/financial instruments as he/she may consider necessary.
- G.6. All cheques shall be ordered only on the authority of the Director of Resources or under arrangements made by him/her.
- G.7. All cheques shall be ensured are kept in safe custody by the Director of Resources until issue.
- G.8. All instructions relating to the Council's banking accounts, shall be authorised by the Director of Resources or Officers authorised by him or her.
- G.9. Payments may be made by BACS or CHAPS electronic transmission subject to two electronic signatures; and submission by an authorised card holder authentication. Responsibility for the delegation of authorisation below Director level and limits applicable is set by the Director of Resources.

H. AUTHORISATION ARRANGEMENTS

| Total Value | Category | Authorisation Level |
|--------------------|---|----------------------------|
| Up to £5,000 | Electronic Orders | <i>Authorised buyer</i> |
| £5,001 to £50,000 | Invoice Authorisations, Electronic Order Approvals, Mileage and Expenses Claims | <i>Line Manager</i> |
| Above £50,001* | Invoice Authorisations and Order/Contract Approvals | <i>Director</i> |

* Note requirement for written contracts above £50,000 – See Section 165.2 of Contract Procedure Rules.

Definitions (as per Contract Procedure Rules)

Approved Buyer- An Officer designated by a Director who is authorised to generate electronic orders on behalf of the Council.

Line Manager - An *Officer* designated by the *Director* to exercise the role reserved to the line manager by the contract procedure rules, this will be a Level 2 Manager.

Director- One of three Directors responsible for operational delivery of services

I. AUTHORISATIONS~~DELEGATIONS~~

I.1.1 Introduction

1.1.1. The Status of financial regulations section (Section one in this document) refer to Directors and Officers ~~authorising others to exercise~~~~delegating~~ their responsibilities ~~under~~~~per~~ these financial regulations. ~~Authorisation~~~~Delegation~~ should be given in writing, however there are instances where this isn't necessary or not possible due to sickness/leave. These delegations are only applicable where decisions/actions are required urgently and the relevant officer is not available and written ~~authorisa~~~~delega~~tion has not been made as not known required.

~~1.1.2. There are statutory delegations for statutory posts, t~~The Monitoring Officer and Returning Officer ~~are able to appoint lawful Deputies who are able to act in the full capacity without separate authorisation unless the terms of their appointment state otherwise, who have a~~ Deputies. ~~Written delegation is not required for these posts to act in the full capacity.~~

~~1.1.2.1.1.3.~~ The Council's Constitution provides that any power or function delegated to a Director may, if that Director or any other Officer authorised by that Director is absent and unable to act, be exercised by another Director should the need arise.

~~1.1.3. Other Officer delegations:-~~

| Officer | Delegation given to: |
|-----------------------------|-------------------------------------|
| Service Director | Another Service Director |
| Group Manager | Service Director |

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

CONTRACT PROCEDURE RULES REVIEW AND UPDATE

1. PURPOSE OF THE REPORT

- 1.1 The Contract Procedure Rules (CPRs) are reviewed every three years and are now due a review. To implement the revisions will support the Councils new structure and ways of working.
- 1.2 The 2019 / 20 audit identified recommendations and the revised CPRs addresses some of these.

2. RECOMMENDATIONS

To the Council:

- (i) That the revised Contract Procedure Rules at **APPENDIX 1** are approved.
- (ii) That the Director of Resources is authorised to make minor changes to the Contract Procedure Rules; minor changes are defined as:
 - Changes in statutory framework, such as references to new or updated legislation;
 - Changes in titles, names or terminology;
 - Changes consequential to other constitutional changes already made.

3. SUMMARY OF KEY ISSUES

- 3.1 Following an update to the CPRs in 2017 the “quote” threshold was lowered from £50,000 to £24,999 in response to the requirement to publish contracts at £25,000 on Contracts Finder. The requirement as of the ‘Guidance on transparency requirements for Contracts finder’ states that if the contracting authority has a higher threshold for going to “quote” then there is no legal obligation to publish below that threshold on Contracts Finder. In returning the threshold to £50,000 this would remove risks of challenge, have less impact on resources and align more with neighbouring authorities.

- 3.2 Additionally, increasing the requirement for a full tender process to £50,000 increases the opportunity for local businesses to bid, who may otherwise be put off by the process and not as experience in writing tender applications.
- 3.3 There is no reference to SME's (Small Medium Enterprises) The regulations contain new reforms to make Public Sector Procurement more accessible to SME's. The recently updated Quote Procedure in line with the Audit recommendations now asks that at least one SME is invited to quote where possible.
- 3.4 The Audit report identified the total value of £25,000 over which no exemption can be used was quite low. The legal threshold at which there is no delegated authority unless in extreme circumstances is the EU threshold. To be consistent with the tender threshold this has been increased to £50,000. The use of exemptions should be the exception not the rule although there are times of urgency or to ensure compliance that the exemption process is required. The exemption process will be monitored and controlled to ensure accountability and transparency.
- 3.5 Hard copy tenders are no longer required to be submitted in line with the government requirement to move to electronic tendering. All tender submissions are now via the Councils e-tendering solution.
- 3.6 Consideration of the Public Services Social Value Act (2012), which the Council has a legislative duty to consider in services contracts, has now been specifically referenced in the CPRs.
- 3.7 That the Director of Resources has the discretion to agree other methods of disposal of the Councils Assets up to a value of £5,000 in consultation with the relevant Director.
- 3.8 Legal Services are included as a relevant contract, as these services sit within the requirement under the Public Contracts Regulations to carry out a procurement exercise to appoint. There are a number of Legal Panels and Frameworks for these services, including CCS (Crown Commercial Services) that are open for the Council to use.
- 3.9 The retention of Legal Counsel or expert witnesses in legal proceedings to be removed as a relevant contract.
- 3.10 That the engagement of Professional Consultants follow a number of requirements, including suitable Terms of Reference (ToRs), evidence of relevant work carried out previously and they have the relevant specialist knowledge for the project and levels of insurance.

4. CONCLUSION

- 4.1 The revision of the Contract Procedure Rules will support the current work being carried out in order to improve the efficiency and effectiveness of the Councils Procurement processes.

5. IMPACT ON STRATEGIC THEMES

5.1 Strong financial controls underpin the achievement of all strategic themes

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Alleviate risk in terms of non-compliance.
- (iv) **Impact on Resources (financial)** – The CPRs are intended to ensure value for money is achieved.
- (v) **Impact on Resources (human)** – Clear concise processes and less resource time.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background papers: None.

Enquiries to: Debbie White, Lead Specialist Procurement.

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MALDON DISTRICT COUNCIL

Contract Procedure Rules

Approved by Council XXX

APPENDIX 1

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All costs stated in these contract procedure rules are exclusive of VAT, Staff **costs** and fees. Terms appearing in the definitions appendix are *italicised*.

A BRIEF GUIDE TO CONTRACT PROCEDURE RULES

These contract procedure rules (issued in accordance with section 135 of the 1972 Local Government Act) are intended to promote good purchasing practice and public accountability and deter corruption. Following the rules is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Officers responsible for purchasing or disposal must comply with these contract procedure rules when undertaking Procurement on behalf of the Council. Council employees and third party service providers have a duty to report breaches of Contract Procedure Rules to an appropriate senior manager and the Monitoring Officer.

These rules apply to all relevant contracts.

These rules apply to Officers and Members.

The Director of Resources may make minor changes to these Contract Procedure Rules.

Minor changes are defined as:

- Changes in statutory framework, such as references to new or updated legislation
- Changes in titles, names or terminology
- Changes consequential to other constitutional changes already made.

For the purposes of these rules, where there is a requirement for communication to be in writing, this should be carried out electronically via email or the Councils e-tendering solution where required. ~~y~~ all be deemed to include e-mail and fax transmissions as well as hard copy.

- Follow the rules if you purchase goods or services or order building work.
- Take all necessary legal, financial and professional advice.
- Declare any personal financial interest in a contract. Corruption is a criminal offence.
- Conduct any *Best Value* review and appraise the purchasing need.
- Check whether there is an existing *Corporate Contract* you can make use of before undergoing a competitive process.
- Normally allow at least four weeks for submission of bids (not to be submitted by fax or e-mail).
- Keep bids confidential.
- Complete a written contract or council order before the supply or works begin.
- Identify a contract manager with responsibility for ensuring the contract delivers as intended.
- Keep records of dealings with suppliers.
- Assess each contract afterwards to see how well it met the purchasing need and *Value for Money* requirements.

Commented [D1]: Time scales should be proportionate to the contract value

APPENDIX 1

In accordance with the Constitution, the Director of Resources shall have the power to make amendments from time to time to these contract procedure rules after consultation with the Monitoring Officer.

SECTION 1: SCOPE OF CONTRACT PROCEDURE RULES

1. BASIC PRINCIPLES

All purchasing and disposal procedures must:

- Ensure value for money and propriety in spending of public money; be consistent with the highest standards of integrity
- consider all necessary procurement, legal, financial and professional advice
- Comply with all legal requirements and these rules
- Ensure that the Council is not exposed to unnecessary risk and likelihood of challenge arising from non-compliant procurement activity
- Consider and incorporate necessary health and safety, inclusion and diversity, and safeguarding children and vulnerable adults' requirements.
- Not be influenced by Non-Commercial considerations other than those permitted by law.
- Comply with the Council's Procurement Strategy.
- Support the council's corporate and departmental objectives, plan and policies

2. OFFICER RESPONSIBILITIES

2.1 Officers

- 2.1.1 *Officers* responsible for purchasing or disposal must comply with these contract procedure rules, *Financial Regulations*, the Code of Conduct and with all UK and European Union binding legal requirements. *Officers* must ensure that any *Agents*, *Consultants* and contractual partners acting on their behalf also comply.

All officers should undertake procurement in a manner which avoids any potential conflicts of interest.

- 2.1.2 *Officers* must:

- *Obtain all appropriate authorisations and check that appropriate budget provisions exist before procurement*
- Have regard to the guidance in the *Purchasing Guidance*
- Check whether a suitable *Corporate Contract* exists before seeking to let another contract; where a suitable *Corporate Contract* exists, this must be used unless there is an auditable reason not to keep the records required by Rule 6
- Take all necessary [Procurement](#), legal, financial and professional advice.

- 2.1.3 When any employee either of the authority or of a service provider may be affected by any transfer arrangement, *Officers* must ensure that the Transfer of Undertaking (Protection of Employment) (*TUPE*) issues are considered and obtain legal advice before proceeding with inviting *Tenders* or *Quotations*.

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2.2 Directors

2.2.1 *Directors* must:

- Ensure that their staff comply with Rule 2.1 Keep registers of: Contracts Completed by signature, rather than by the council's seal (see Rule ~~46~~¹⁵.3)
- Arrange their safekeeping on council premises exemptions recorded under Rule 3.2.
- Ensure that where exemptions are obtained under section 3 that they are recorded and stored.

APPENDIX 1

3. EXEMPTIONS, COLLABORATIVE AND E-PROCUREMENT ARRANGEMENTS

- 3.1 The council has the power to waive any requirements within these contract procedure rules for specific projects.
- 3.2 Where a proposed contract is likely to exceed the European Union (EU) Threshold, Directors have no delegated powers and the matter has to be determined by the council (see Rule 3.1). No exemption can be used if the EU Procedure applies unless in extreme cases of urgency and with Legal advice, or if the Total Value exceeds £24,999.
- 3.3 Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to council services, the Officer and the Director of Resources may jointly approve the exemption but they must prepare a report for the next Strategy and Resources Finance and Corporate Services Committee to support the action taken.
- 3.4 All exemptions, and the reasons for them, must be recorded using the form in the Purchasing Guidance. Exemptions shall be signed by the Officer and countersigned by the Director of Resources and where appropriate the Chairman of the Strategy and Resources Finance & Corporate Services Committee.
- 3.5 The Lead Specialist Procurement Director of Resources must be consulted prior to commencing any procurement process using Crown Commercial Services Office of Government Commerce (OGC) Buying Solutions Contracts. The terms and conditions of contract applicable to any CCS OGC arrangement, including the requirement to undertake competition between providers, must be fully complied with.
- 3.6 Financial Officers must monitor the use of all exemptions.
- 3.7 In order to secure Value for Money, the authority may enter into collaborative procurement arrangements. The Officer must consult the Director of Resources and the Monitoring Officer where the purchase is to be made using collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium.
- 3.7.1 All purchases made via a local authority purchasing consortium are deemed to comply with these contract procedure rules and no exemption is required. However, purchases above the EU Threshold must be let under the EU Procedure, unless the consortium has satisfied this requirement already by letting their contract in accordance with the EU Procedures on behalf of the authority and other consortium members.
- 3.7.2 Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract procedure rules of the leading organisation, will be deemed to comply with these contract procedure rules and no exemption is required. However, advice must be sought from the Resources Directorate.
- 3.8 The use of e-procurement technology does not negate the requirement to comply with all elements of these contract procurement rules, particularly those relating to competition and Value for Money.

4. RELEVANT CONTRACTS

4.1 All *Relevant Contracts* must comply with these contract procedure rules. A *Relevant Contract* is any arrangement made by, or on behalf of, the authority for the carrying out of works or for the supply of goods, materials or services. These include arrangements for:

- The supply or disposal of goods;
- The hire, rental or lease of goods or equipment;
- The delivery of services, including (but not limited to) those related to:
 - The recruitment of staff
 - Land and property transactions
 - Financial and Consultancy Services
 - Legal Services

4.2 *Relevant Contracts* do not include:

- Contracts of employment which make an individual a direct employee of the authority, or
- Agreements regarding the acquisition, disposal, or transfer of land (for which *Financial Regulations* shall apply).
- Contracts for retention of legal Counsel, or the appointment of expert witnesses in legal proceedings.

~~CONTRACT VALUE CALCULATION~~ Contract Value Calculation

- Contract value means the estimated aggregate or recurring value payable in pounds sterling exclusive of Value Added Tax over the entire contract period including any extensions of the contract.
- Where the contract term without fixed length the estimated value of the contract should be calculated by monthly ~~value~~ value of spend multiplied by 48 in accordance with Regulation 8 of the EU regulations.
- Contracts must not be artificially underestimated or disaggregated into two or more separate contracts where the effect is to avoid the application of Contract Procedure Rules or English Law.
- Where a framework agreement is planned the contract value must be calculated to include the total value of all of the individual contract arrangements envisaged under the Framework Agreement.

4.4 ~~EXTENSIONS AND VARIATIONS~~ Extensions and Variation

- Contracts may only be extended or varied if all of the following conditions have been met
- ~~the~~ the extension or variation is in accordance with the terms and conditions of the existing contract;
- the contract has not been extended before the extension or variation has an approved budget allocation;
- For advice regarding acceptance thresholds for contract extensions and variations please contact the Director of Resources.

SECTION 2: COMMON REQUIREMENTS

5. STEPS PRIOR TO PURCHASE

- 5.1 The *Officer* must appraise the purchase, in a manner commensurate with its complexity and value and taking into account any guidance in the *Purchasing Guidance*, by:
- Taking into account the requirements from any relevant *Best Value* review appraising the need for the expenditure and its priority defining the objectives of the purchase.
 - Assessing the risks associated with the purchase and how to manage them considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, partnering, packaging strategy and collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium.
 - Consulting users as appropriate about the proposed procurement method, contract standards and performance and user satisfaction monitoring.
 - Drafting the terms and conditions that are to apply to the proposed contract setting out these matters in writing if the *Total Value* of the purchase exceeds £50,000
- 5.2 And by confirming that:
- There is Council or delegated approval for the expenditure and the purchase accords with the approved policy framework and scheme of delegation as set out in the *Constitution*

6. RECORDS (ACQUISITIONS AND DISPOSALS)

- 6.1 Where the *Total Value* is greater than £500 but less than £50,000, the following records must be kept:
- Invitations to quote and *Quotations*;
 - A record:
 - of any exemptions and the reasons for them;
 - of the reason if the lowest price is not accepted.
 - Written records of communications with the successful contractor or an electronic record if a written record of the transaction would normally not be produced.
- 6.2 Where the *Total Value* exceeds £50,000 the *Officer* must record:
- The method for obtaining bids (see Rule 8.1);
 - Any *Contracting Decision* and the reasons for it;
 - Any exemption under Rule 3 together with the reasons for it;
 - The *Award Criteria* in descending order of importance;
 - *Tender* documents sent to and received from *Candidates*;
 - Pre-tender market research;
 - Clarification and post-tender negotiation (to include minutes of meetings);
 - The contract documents;

APPENDIX 1

- Post-contract evaluation and monitoring;
- Communications with *Candidates* and with the successful contractor throughout the period of the contract.

6.3 Records required by this rule must be kept for six years after the end of the contract. However, written documents which relate to unsuccessful *Candidates* may be electronically scanned or stored by some other suitable method after 12 months from award of contract, provided there is no dispute about the award.

7. ADVERTISING, APPROVED LISTS AND FRAMEWORK AGREEMENTS

7.1 Identifying and Assessing Potential Candidates

7.1.1 *Officers* shall ensure that, where proposed contracts, irrespective of their *Total Value*, might be of interest to potential *Candidates* located in other member states of the EU, a sufficiently accessible advertisement is published.

7.1.2 Generally, the greater the interest of the contract to potential bidders from other member states, the wider the coverage of the advertisement should be. Examples of where such advertisements may be placed include:

- The council's website
 - ~~Portal websites specifically created for contract advertisements~~ [\(all contracts with a Total Value exceeding £24,999 must be advertised on the Contracts Finder website\)](#)
 - National official journals,
- or
- The Official Journal of the European Union (OJEU) / Tenders Electronic Daily (TED) (even if there is no requirement within the *EU Procedure*).

7.1.3 *Officers* are responsible for ensuring that all *Candidates* for a *Relevant Contract* are suitably assessed. The assessment process shall establish that the potential *Candidates* have sound:

- Economic and financial standing;
- Technical ability and capacity to fulfil the requirements of the authority.

7.2 [Approved Lists](#)

[The Council does not generally agree the use of Approved Lists. Where the use of an approved list may be required, a full business case and Director Level approval must be obtained.](#)

7.3 Framework Agreements

7.3.1 The term of a *Framework Agreement* must not exceed four years and, while an agreement may be entered into with one provider, where an agreement is concluded with several organisations, there must be at least three in number.

7.3.2 Contracts based on *Framework Agreements* may be awarded by either:

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- applying the terms laid down in the *Framework Agreement* (where such terms are sufficiently precise to cover the particular call-off) without reopening competition, or
- where the terms laid down in the *Framework Agreement* are not precise enough or complete for the particular call-off, by holding a mini competition in accordance with the following procedure:
- inviting the organisations within the *Framework Agreement* that are capable of executing the subject of the contract to submit written *Tenders*;
- fixing a time limit which is sufficiently long to allow *Tenders* for each specific contract to be submitted, taking into account factors such as the complexity of the subject of the contract;
- awarding each contract to the tenderer who has submitted the best *Tender* on the basis of the *Award Criteria* set out in the specifications of the *Framework Agreement*.

SECTION 3: CONDUCTING PURCHASE AND DISPOSAL

8. COMPETITION REQUIREMENTS FOR PURCHASE, DISPOSAL AND PARTNERSHIP ARRANGEMENTS

The *Officer* must calculate the *Total Value* over the term of the contract including any extensions.

The following procedures apply where there are no other procedures which take precedence. Other procedures may include agency agreements with government. If in doubt, *Officers* must seek the advice of the Lead Specialist Procurement Director of Resources.

8.1 Purchasing – Competition Requirements

- 8.1.1 Where the *Total Value* for a purchase is within the values in the first column below, the *Award Procedure* in the second column must be followed. Sign off to award Short-listing shall be done by the persons specified in the third column.

| <u>Total Value</u> | <u>Award Procedure</u> | <u>(Shortlisting) This should be Sign off to award</u> |
|--------------------------------|---|--|
| <u>Up to £5,000</u> | <u>At least one and preferably up to three Quotations. (confirmed in writing where the Total Value exceeds £500)</u> | <u>Officer</u> |
| <u>£5,001 to £50,000</u> | <u>The Receipt of minimum three written Quotations</u> | <u>Officer and Line Manager</u> |
| <u>£50,001 to EU Threshold</u> | <u>Engage Procurement and obtain at least three tenders following advertisement by public notice on the Councils e-tendering solution</u> | <u>Officer and Line Manager</u> |
| <u>Above EU Threshold</u> | <u>Engage Procurement as EU Rules apply – full competitive process with tenders following OJEU advertisement on the councils e-tendering solution</u> | <u>Line Manager/T2 Manager Director ??</u> |

| <u>Total Value</u> | <u>Award Procedure</u> | <u>Short listing</u> |
|--------------------------|---|---------------------------------|
| <u>Up to £5,000</u> | <u>At least one and preferably up to three Quotations. (confirmed in writing where the Total Value exceeds £500)</u> | <u>Officer</u> |
| <u>£5,001 to £24,999</u> | <u>The Receipt of three written Quotations (this requirement may be waived with the written consent of the Director of Resources in</u> | <u>Officer and Line Manager</u> |

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~~consultation with the Chairman of the Finance & Corporate Services Committee).~~

| | | |
|------------------------------------|--|---|
| £25,000 to £50,000 | Quotations sought by advertisement on Contracts Finder | Officer and Line Manager |
| £50,001 to EU Threshold | Invitation to Tender by advertisement on Contracts Finder | Officer, Line Manager and Director |
| Above EU Threshold | EU Procedure or, where this does not apply, Invitation to Tender by advertisement on Contracts Finder | Consult the Essex Procurement Hub Lead Specialist Procurement – see Rule 8.1.4 |

8.1.2 ~~Where it can be demonstrated that there are insufficient suitably qualified Candidates to meet the competition requirement, all suitably qualified Candidates must be invited.~~

8.1.3 An Officer must not enter into separate contracts nor select a method of calculating the *Total Value* in order to minimise the application of these contract procedure rules.

8.1.4 Where the *EU Procedure* is required, the Officer shall consult [the Lead Specialist Procurement](#) ~~the Essex Procurement Hub~~ to determine the method of conducting the purchase.

8.2 Assets for Disposal

8.2.1 Assets for disposal must be sent to public auction (including electronic auction sites such as eBay) except where better *Value for Money* is likely to be obtained by inviting *Quotations* and *Tenders*. (These may be invited by advertising on the council's internet site.) In the latter event, the method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed with the *Director of Resources*

8.2.2 ~~The Director of Resources has the discretion to agree other methods for disposal of Assets up to a value of £5,000 in consultation with the relevant Director.~~

~~8.2.2.3~~ In the first instance surplus vehicles, plant and equipment should be offered to Parish Council's within the District at a fair price (sold as seen) agreed by the *Director of Resources* in consultation with the relevant *Director*.

8.3 Providing Services to External Purchasers

8.3.1 The *Director of Resources* and *Financial Regulations and procedures* must be consulted where contracts to work for organisations other than the authority are contemplated.

8.4 Collaborative and Partnership Arrangements

8.4.1 Collaborative and partnership arrangements are subject to all UK and EU procurement legislation and must follow these contract procedure rules.

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8.4.2 If in doubt, Officers must seek advice of the [Lead Specialist Procurement –Essex Procurement Hub](#).

8.5 The Appointment of Consultants to Provide Services

8.5.1 Consultant architects, engineers, surveyors and other professional *Consultants* shall be ~~selected~~[selected](#), and commissions awarded in accordance with the procedures detailed within these contract procedure rules and as outlined below.

[8.5.2 The responsible officer must produce suitable Terms of Reference \(ToRs\) setting out the scope of the assignment/study. This should be used to invite proposals from the Consultant\[s\]](#)

[8.5.3 The Responsible Officer must be satisfied that the fees and charges are reasonable and that appropriate procedures have been followed having regard to the type of work, prevailing market conditions and the particular knowledge or expertise of the consultant.](#)

~~8.5.4 The relevant Director sign off up to a value of £10k thereafter the Regulations should be followed and be in line with the Councils relevant thresholds.~~

[8.5.46 All consultants used must have:](#)

- [performed satisfactory work of a similar nature within the previous two years, or provided satisfactory evidence of relevant work carried out for other similar organisations within the last three years;](#)
- [relevant specialist knowledge and experience which is likely to be of value to Maldon;](#)
- [Hold professional indemnity of a sufficient level to protect the Councils interest](#)

[8.5.57 Records of consultancy appointments shall be maintained in accordance with Rule 6](#)

| Total Value | Award Procedure | Short listing |
|--------------------|---|-------------------------------------|
| Up to £5,000 | At least one and preferably up to three Quotations (confirmed in writing where the <i>Total Value</i> exceeds £500) | Officer |
| £5,001 to £24,999 | The receipt of three written Quotations (This requirement may be waived with the written consent of the <i>Director of Resources</i> in consultation with the Chairman of the Finance and Corporate Services Committee). | Officer and Line Manager |
| £25,000 to £50,000 | Quotations sought by advertisement on Contracts Finder | Officer and Line Manager |

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| | | |
|-------------------------|---|---|
| £50,001 to EU Threshold | Invitation to Tender by advertisement on Contracts Finder | Officer, Line Manager and Director |
| Above EU Threshold | EU Procedure or, where this does not apply, Invitation to Tender by advertisement on Contracts Finder | Consult the Essex Procurement HubLead Specialist Procurement – see Rule 8.1.4 |

8.5.2 The engagement of a *Consultant* shall follow the agreement of a brief that adequately describes the scope of the services to be provided and shall be subject to completion of a formal letter or contract of appointment.

8.5.3 Records of consultancy appointments shall be maintained in accordance with Rule 6.

8.5.4 *Consultants* shall be required to provide evidence of, and maintain professional indemnity insurance policies to the satisfaction of the relevant *Director* for the periods specified in the respective agreement.

9. PRE-TENDER MARKET RESEARCH AND CONSULTATION

9.1 The *Officer* responsible for the purchase:

- May consult potential suppliers prior to the issue of the *Invitation to Tender* in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided this does not prejudice any potential *Candidate*
- Must not seek or accept technical advice on the preparation of an *Invitation to Tender* or *Quotation* from anyone who may have a commercial interest in them, if this may prejudice the equal treatment of all potential *Candidates* or distort competition, and should seek advice from the [Essex Procurement HubLead Specialist Procurement](#).

10. STANDARDS AND AWARD CRITERIA

10.1 The *Officer* must ascertain what are the relevant British, European or international standards which apply to the subject matter of the contract. The *Officer* must include those standards which are necessary properly to describe the required quality. The *Director* must be consulted if it is proposed to use standards other than European standards.

10.2 The *Officer* must define *Award Criteria* that are appropriate to the purchase and designed to secure an outcome giving *Value for Money* for the authority. The [award criteria must take into account basic criteria shall be:](#)

- 'Lowest price' where payment is to be made by the authority;
- 'Highest price' if payment is to be received; or
- 'Most economically advantageous', where considerations other than price also apply.
- [Savings over the life of the contract](#)
- [Sustainable Procurement](#)

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- [Social Value](#)
- [The subject matter of the contract](#)
-

~~If the last criterion is adopted, it must be further defined by reference to sub-criteria which may refer only to relevant considerations.~~

~~These Relevant considerations to the contract should also may include price,~~ service, quality of goods, running costs, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance and any other relevant matters.

10.3 Award Criteria must not include:

- *Non-commercial Considerations*
- Matters which discriminate against suppliers from the *European Economic Area* or signatories to the *Government Procurement Agreement*.

11. INVITATIONS TO TENDER / QUOTATIONS

11.1 [The Officer responsible must ensure they have the budget and appropriate approvals in place to commence the purchase. Where the value of the contract exceeds £50,000 then a tender process must be followed using the Councils nominated e-tendering portal. Guidance should be sought from the Lead Specialist Procurement as to the correct process to follow. All spend over £5000 is subject to the Transparency Agenda.](#)

[11.2 Where legally permissible the Council shall ensure that for purchases of a value of up to £50,000 that at least one SME/Local supplier is invited to quote or tender for suitable and relevant contracts. All documents and communications should be kept and where the lowest price is not accepted this must be recorded.](#)

[11.3 Once approval to proceed has been obtained by the necessary delegated authority \(Request for Quote procedure note\) the process should include the following:](#)

- [Details of the requirement must be completed on an RFQ template and include a specification of requirement.](#)
- [Identify potential suppliers, \(a minimum of 3 must be invited to quote\) set a deadline for return of quotes, evaluate all returns, and select supplier.](#)
- [Document the reasons for your choice and gain approval to award \(see 8.1.1\)](#)
- [Once all suppliers have been notified of the outcome, all documentation/evidence and approval to award must be recorded and updated on the contracts register.](#)
- [Manage the contract in line with the Contract Management guidance](#)

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11.4 Where Contracts are of a type and value which means that they are subject to the EU Rules then there are five main types of EU procedures available. These are the Open and Restricted the Competitive Dialogue, Competitive Procedure with Negotiation and the Innovative Partnership. In the vast majority of cases the Open and Restricted procedures will be chosen the other procedures are generally used for more complex contracts.

The *Invitation to Tender* shall state that no *Tender* will be considered unless it is received by the date and time stipulated in the *Invitation to Tender*. No *Tender* delivered in contravention of this clause shall be considered.

11.52 All *Invitations to Tender* shall include the following:

- (a) A specification that describes the authority's requirements in sufficient detail to enable the submission of competitive offers.
- (b) A requirement for tenderers to declare that the *Tender* content, price or any other figure or particulars concerning the *Tender* have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose).
- (c) A requirement for tenderers to complete fully and sign all *Tender* documents including a form of *Tender* and certificates relating to canvassing and non-collusion.
- (d) Notification that *Tenders* are submitted to the council on the basis that they are compiled at the tenderer's expense.
- (e) A description of the *Award Procedure* and, unless defined in a prior advertisement, a definition of the *Award Criteria* in objective terms and if possible in descending order of importance.
- (f) All tender submissions should be via the Councils e-tendering solution. Notification that no *Tender* will be considered unless it is enclosed in a sealed envelope or container which bears the word '*Tender*' followed by the subject to which it relates, but no other name or mark indicating the sender. Preforma *Tender* labels are available from the Committee Services Office. (Refer to TENDERS AND QUOTATIONS — procedure note).
- (g) A stipulation that any *Tenders* submitted by fax or other electronic means shall not be considered with the exception of the Council's electronic tender portal.
- (h) The method by which any arithmetical errors discovered in the submitted *Tenders* is to be dealt with. In particular, whether the overall price prevails over the rates in the *Tender* or vice versa.

11.63 All *Invitations to Tender* or *Quotations* must specify the goods, service or works that are required, together with the terms and conditions of contract that will apply (see Rule **156**).

117.4 The *Invitation to Tender* or *Quotation* must state that the council is not bound to accept any *Quotation* or *Tender*.

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~~11.85~~ All *Candidates* invited to *Tender* or quote must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis. ~~For contracts with a Total Value exceeding £24,999, documentation will need to be uploaded to Contracts Finder at the time of publishing the notice.~~

~~11.96~~ All tendering procedures including obtaining quotes from planning to contract award and signature, shall be undertaken in a manner so as to ensure that the following is secured

- ~~(a) Sufficient time is given to plan and run the process~~
- ~~(b) Equal opportunity and equal treatment~~
- ~~(c) Openness and transparency~~
- ~~(d) Probity~~
- ~~(e) Outcomes which deliver sustainability, efficiency and cost savings (where appropriate).~~

~~11.107~~ Public Services Social Value Act (2012)

~~The Council has a legislative duty to consider the social, economic and environmental benefits of the service being delivered at the pre-procurement stage by way of:~~

- ~~• How what is being procurement might improve the economic, social and environmental well-being of the Councils area and;~~
- ~~• How in conducting the process of procurement, it might act with a view to securing that improvement~~
- ~~• Prior to commencing a tender process guidance should be sort from Procurement with regard to Social Value requirements.~~

~~12.~~ SHORTLISTING

~~12.1 Any Shortlisting must have regard to the financial and technical standards relevant to the contract and the Award Criteria. Special rules apply in respect of the EU Procedure.~~

~~12.2 The officers responsible for Shortlisting are specified in Rule 8.1.1.~~

~~12.3 Where Approved Lists are used, Shortlisting may be done by the Officer in accordance with the Shortlisting criteria drawn up when the Approved List was compiled (see Rule 7.2.2). However, where the EU Procedure applies, Approved Lists may not be used.~~

~~123.~~ SUBMISSION, RECEIPT AND OPENING OF TENDERS/QUOTATIONS

~~123.1 Candidates must be given an adequate period in which to prepare and submit a proper Quotation or Tender, consistent with the complexity of the contract requirement. For contracts with a Total Value exceeding £24,999, the minimum term for receipt of tenders or quotations from the date advertised is 35 calendar days. The EU Procedure lays down specific time periods (see guidance in the Purchasing Guidance).~~

~~123.2 All Tenders must be returned via the Council's e-tendering solution to the Director of Resources.~~

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- ~~123.3~~ *Tenders received by fax or other electronic means (e.g. email) must be rejected, unless they have been sought in accordance with an electronic tendering system approved by the Director of Resources.*
- ~~13.4~~ *All tender submissions will remain locked until the designated return date and time the Councils e tendering solution.*
- ~~13.4~~ *The Officer must not disclose the names of Candidates to any staff involved in the receipt, custody or opening of Tenders.*
- ~~13.5~~ *The Director of Resources shall be responsible for the safekeeping of Tenders until the appointed time of opening. Each Tender must be: Suitably recorded so as to subsequently verify the date and precise time it was received adequately protected immediately on receipt to guard against amendment of its contents recorded immediately on receipt in the Tender Record Log.*
- ~~13.6~~ *The Director of Resources must ensure that all Tenders are opened at the same time when the period for their submission has ended. Members will be made aware of the opening arrangements should they wish to observe the process. The Officer or his or her representative must be present. Tenders must be opened in the presence of two officers representing the Director of Resources, neither of whom can be the Officer. Where the Total Value is more than the EU Threshold, one must be the Director of Resources or Officer designated by the Director of Resources.*
- ~~13.7~~ *Upon opening, a summary of the main terms of each Tender (i.e. significant issues that are unique to each Tender submission and were not stated in the Tender invitation documents such as Tender sum, construction period, etc.) must be recorded in the Tender Record Log. The summary must be initialled on behalf of the Director of Resources.*

~~1344-~~ CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATION

- ~~1344.1~~ Providing clarification of an *Invitation to Tender* to potential or actual *Candidates* or seeking clarification of a *Tender*, whether in writing or by way of a meeting, is permitted. However, discussions with tenderers after submission of a *Tender* and before the award of a contract with a view to obtaining adjustments in price, delivery or content (i.e. post-tender negotiations) must be the exception rather than the rule. In particular, they must not be conducted in an *EU Procedure* where this might distort competition, especially with regard to price.
- ~~1344.2~~ *Post Tender negotiations within an EU Procedure can only be carried out where the correct procedure has been used and advertised with guidance from Lead Specialist Procurement and where necessary with Legal advice. If post tender negotiations are necessary after a single stage Tender or after the second stage of a two stage Tender, then such negotiations shall only be undertaken with the tenderer who is identified as having submitted the best Tender and after all unsuccessful Candidates have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the Tender documents. Officers appointed by the relevant Director to carry out post tender negotiations should ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.*
- ~~14.3~~ *Post tender negotiation must only be conducted in accordance with the guidance issued by the Solicitor who, together with the Director of Resources, must be*

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~~consulted wherever it is proposed to enter into post tender negotiation. Negotiations must be conducted by a team of at least two Officers, one of whom must be from a service independent to that leading the negotiations.~~

- ~~14.4.13.3~~ Where post-tender negotiation results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.

~~14.4.14~~ EVALUATION, AWARD OF CONTRACT, & DEBRIEFING CANDIDATES

- ~~14.4.14.1~~ Apart from the debriefing required or permitted by these contract procedure rules, the confidentiality of *Quotations*, *Tenders* and the identity of *Candidates* must be preserved at all times and information about one *Candidate*'s response must not be given to another *Candidate*.
- ~~14.4.14.2~~ Contracts must be evaluated and awarded in accordance with the *Award Criteria*. During this process, *Officers* shall ensure that submitted *Tender* prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily.
- ~~14.4.14.3~~ The arithmetic in compliant *Tenders* must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their *Tender*. Alternatively, if the rates in the *Tender*, rather than the overall price, were stated within the *Tender* invitation as being dominant, an amended *Tender* price may be requested to accord with the rates given by the tenderer.
- ~~14.4.14.4~~ *Officers* may accept *Quotations* and *Tenders* received in respect of proposed contracts, provided they have been sought and evaluated fully in accordance with these contract procedure rules and, in respect of proposed contracts that are expected to exceed £250,000, the approval of the relevant Committee has been secured.
- ~~14.4.14.5~~ For tenders up to the EU threshold it is best practice to inform all tenderers of the intention to award and give unsuccessful tenderers an opportunity to request feedback on their submission. Only useful feedback needs to be provided. A 10-day standstill period shall not apply.
- ~~14.4.14.6~~ ~~The Officer shall~~ For all tenders over the EU threshold a full debrief in writing must be given to all those *Candidates* who submitted a bid about the characteristics and relative advantages of the leading bidder. The debrief should form part of the notification of award letter which commences the 10 day standstill period. No information, other than the following, should be given without taking the advice of the Solicitor:
- The notification of award should contain:
1. How the Award Criteria were applied
 - ~~2. The prices or range of prices submitted, in either case not correlated to The prices or range of prices submitted (in percentage analysis form), in either case not correlated to Candidates' names (anonymised) apart from the winning Candidate.~~
 3. Proposed Winning Candidates' name[s]

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Date the 10-day standstill period ends

~~4. The names of Candidates where there were three or more Candidates.~~

~~1514.7~~ If a *Candidate* requests in writing the reasons for a *Contracting Decision*, the *Officer* must give the reasons in writing within 15 days of the request. ~~If requested, the Officer may also give~~ the debriefing information at Rule 15.6 above should also be sent to *Candidates* who were deselected in a pre-tender *Shortlisting* process and not advised unsuccessful at that time.

SECTION 4: CONTRACT AND OTHER FORMALITIES

4615. CONTRACT DOCUMENTS**4615.1 Relevant Contracts**

1615.1.1 ~~46.1.1~~ All *Relevant Contracts* that exceed £50,000 shall be in writing.

~~15.1.2~~ All *Relevant Contracts*, irrespective of value, shall clearly specify:

- what is to be supplied (i.e. the works, materials, services, matters or things to be furnished, had or done);
- the provisions for payment (i.e. the price to be paid and when);
- the time, or times, within which the contract is to be performed;
- the provisions for the council to terminate the contract.

~~156.1.3~~ The council's order form (electronic order system) or standard terms and conditions issued by a relevant professional body must be used wherever possible.

~~156.1.4~~ In addition, every *Relevant Contract* of purchase over £50,000 must also state clearly as a minimum:

- that the contractor may not assign or sub-contract without prior written consent;
- any insurance requirements;
- health and safety requirements;
- ombudsman requirements;
- data protection [Act 2018 \(General Data Protection Regulation \(GDPR\)\)](#) requirements, if relevant;
- that charter standards are to be met if relevant;
- race relations requirements;
- Disability Discrimination Act requirements;
- Freedom of Information Act requirements;
- where *Agents* are used to let contracts, that *Agents* must comply with the council's contract procedure rules;
- a right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant.

~~156.1.5~~ The formal advice of the [Lead Specialist Procurement and where necessary the Solicitor](#) must be sought for the following contracts:

- where the Total Value exceeds EU Threshold;
- those involving leasing arrangements;
- where it is proposed to use a supplier's own terms;
- those involving the purchase of application software with a Total Value of more than £50,000;
- those that are complex in any other way.

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156.2 Contract Formalities

156.2.1 Agreements (Contracts and Orders) shall be completed as follows:

| Total Value | Method of Completion | By |
|-------------------|-------------------------------|---|
| Up to £5,000 | Electronic order | <i>Authorised buyer</i> (see Rule 16.2.3) |
| £5,001 to £50,000 | Electronic order | <i>Authorised Buyer</i> approved by <i>Line Manager</i> (see Rule 16.2.3) |
| Above £50,001 | Signature on written contract | <i>Director or Head of Paid Service</i> (see Rule 16.2.3) |

156.2.2 All contracts must be concluded in writing or by email before the supply, service or construction work begins.

156.2.3 The *Officer* responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it.

156.2.4 All contract documents must be placed in the central repository in accordance with *Financial Regulations*.

156.3 Sealing

156.3.1 Where contracts are completed by each side adding their formal seal, such contracts shall be signed in accordance with the Council's Constitution Standing Orders (~~*Chief Executive or Deputy and a Member*~~).

156.3.2 Every Council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal.

15.3.3A contract must be sealed where:

- the Council may wish to enforce the contract more than six years after its end;
- the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services.

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16. BONDS AND PARENT COMPANY GUARANTEES

16.1 The *Officer* must consult the *Director of Resources* about whether a *Parent Company Guarantee* is necessary when a *Candidate* is a subsidiary of a parent company and:

- the *Total Value* exceeds £250,000; or
- award is based on evaluation of the parent company; or
- there is some concern about the stability of the *Candidate*.

16.2 The *Officer* must consult the *Director of Resources* about whether a *Bond* is needed:

- where the *Total Value* exceeds £250,000, or
- where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the *Candidate*.

17. PREVENTION OF CORRUPTION

17.1 The *Officer* must comply with the *Code of Conduct* and must not invite or accept any gift or reward in respect of the award or performance of any contract. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in Rule 18.2 below.

17.2 The following clause **must** be put in every written Council contract:

"The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor's behalf do any of the following things:

- offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done), or*
- commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972, or*
- commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees. Any clause limiting the Contractor's liability shall not apply to this clause."*

18. DECLARATION OF INTERESTS

18.1 If it comes to the knowledge of a member or an employee of the authority that a contract in which he or she has a pecuniary interest as described in the Code of Conduct has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Monitoring Officer~~Chief Executive~~. The Monitoring Officer~~Chief Executive~~ shall report such declarations to the appropriate Committee.

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~~189.2~~ Such written notice is required irrespective of whether the pecuniary interest is direct or indirect. An indirect pecuniary interest is distinct from a direct pecuniary interest in as much as it is not a contract to which the member or employee is directly a party.

~~189.3~~ A shareholding in a body not exceeding a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not a pecuniary interest for the purposes of this standing order.

~~19.4~~ ~~18.2~~ The Monitoring Officer shall maintain a record of all declarations of interests notified by members and Officers.

~~18.3~~ The Director of Strategy, Performance and Governance ~~Chief Executive~~ shall ensure that the attention of all members is drawn to the Council's ~~Local~~ ~~National~~ Code of ~~Local~~ ~~Government~~ Conduct when taking office.

SECTION 5: CONTRACT MANAGEMENT

~~20.~~ ~~19~~ MANAGING CONTRACTS

~~20~~ ~~19~~.1 Directors in sponsoring departments are to name contract managers for all new contracts. All contracts must have a named council contract manager for the entirety of the contract.

~~20~~ ~~19~~.2 Contract Managers must follow the procedures set out in the council's *Purchasing Guidance*.

~~21~~ ~~20~~. RISK ASSESSMENT AND CONTINGENCY PLANNING

~~21.1~~ ~~20.1~~ A business case must be prepared for all procurements with a potential value over the *EU Threshold*. Provision for resources for the management of the contract, for its entirety, must be identified in the business case.

21.2 ~~20.2~~ For all contracts with a value of over £50,000, contract managers must:

- maintain a risk register during the contract period;
- undertake appropriate risk assessments and for identified risks;
- ensure contingency measures are in place.

~~22~~ ~~21~~. CONTRACT MONITORING, EVALUATION AND REVIEW

~~22~~ ~~21~~.1 All contracts which have a value higher than the *EU Threshold* limits, or which are *High Risk*, are to be subject to monthly formal review with the contractor. The review may be conducted quarterly if permitted by the *Director of Resources*.

~~22~~ ~~21~~.2 For all contracts with a value higher than the *EU Threshold* limits, or which are *High Risk*, an annual report must be submitted to the relevant Committee.

~~22~~ ~~21~~.3 The Council's approved *project management methodology* must be applied to all contracts deemed to be *High Risk*, *High Value*, or *High Profile*.

APPENDIX 1

- | 2221.4 During the life of the contract, the *Officer* must monitor in respect of:
- performance;
 - compliance with specification and contract cost;
 - any *Value for Money* requirements;
 - user satisfaction and risk management.
- | 2221.5 Where the *Total Value* of the contract exceeds £250,000, the *Officer* must make a written report to the relevant Committee evaluating the extent to which the purchasing need and the contract objectives (as determined in accordance with Rule 5.2) were met by the contract. This should be done normally when the contract is completed. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to re-letting of the subsequent contract.

DEFINITIONS APPENDIX

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| Agent | A person or organisation acting on behalf of the council or on behalf of another organisation. |
| Approved Buyer | <i>Officer</i> Designated by a <i>Director</i> who is authorised to generate electronic orders on behalf of the Council. |
| Approved List | A list drawn up in accordance with Rule 7.2. |
| Award Criteria | The criteria by which the successful <i>Quotation</i> or <i>Tender</i> is to be selected (see further Rules 10 and 11.2e). |
| Award Procedure | The procedure for awarding a contract as specified in Rules 8, 10 and 15. |
| Best Value | The duty, which Part I of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the council. This terminology has now in many instances been superseded by <i>Value for Money</i> . |
| Bond | An insurance policy: if the contractor does not do what it has promised under a contract with the council, the council can claim from the insurer the sum of money specified in the bond (often 10% of the contract value). A bond is intended to protect the council against a level of cost arising from the contractor's failure. |
| Candidate | Any person who asks or is invited to submit a <i>Quotation</i> or <i>Tender</i> . |
| Chief Executive | The Council's Head of Paid Service has defined in the Constitution. |
| Chief Finance Officer | The Officer Designated Chief Finance Officer (Section 151 Officer) by the Council. |
| Code of Conduct | The <u>respective eCodes</u> regulating <u>the</u> conduct of <u>Members and Officers</u> issued by the Chief Executive. |
| Committee | A Committee which has power to make decisions for the Council, for example a joint Committee with another local authority, but not the scrutiny Committee. |
| Commissioning & Procurement Strategy | The document setting out the council's approach to commissioning and procurement, setting out key priorities for the next few years. |
| Constitution | The constitutional document approved by the council which: <ul style="list-style-type: none"> • allocates powers and responsibility within the council and between it and others; • delegates authority to act to the <i>Committees</i>, and |

APPENDIX 1

Officers;

- regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.

Consultant

Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the council has no ready access to employees with the skills, experience or capacity to undertake the work.

Contracting Decision

Any of the following decisions:

- composition of *Approved Lists*;
- withdrawal of *Invitation to Tender*;
- whom to invite to submit a *Quotation* or *Tender*;
- *Shortlisting*;
- award of contract;
- any decision to terminate a contract.

Corporate Contract

A contract let by the *Council* to support the council's aim of achieving *Value for Money*.

Director

One of three Directors responsible for operational delivery of services and designated as such in the *constitution*

Director of Resources

Director responsible for financial and procurement activities and internal audit

Essex Procurement Hub

~~The council's central procurement partner charged with providing strategic direction and advice to secure *Value for Money* in the Council's procurement activities. The hub also has EU regulations legal expertise.~~

EU Procedure

The procedure required by the EU where the *Total Value* exceeds the *EU Threshold*.

EU Threshold

The contract value at which the EU public procurement directives apply.

European Economic Area

The 27 of the 28 members of the European Union, and Norway, Iceland and Liechtenstein.

Financial Officer

The most senior *Officer* representing the *Director of Resources* or designated by him/her to provide financial advice to the *Director*.

Financial Regulations and procedures

The financial regulations and procedures outlining *Officer* responsibilities for financial matters issued by the *Chief Finance Officer* in accordance with the *Constitution*.

APPENDIX 1

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| Framework Agreement | An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged. |
| Government Procurement Agreement | The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the <i>European Economic Area</i> are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway, Aruba, Hong Kong, China, Liechtenstein and Singapore. |
| Head of Paid Service | The Council's Chief Executive. |
| High Profile | A high-profile purchase is one that could have an impact on functions integral to council service delivery should it fail or go wrong. |
| High Risk | A high-risk purchase is one which presents the potential for substantial exposure on the council's part should it fail or go wrong. |
| High Value | A high-value purchase is where the value exceeds the <i>EU Threshold</i> values. |
| Invitation to Tender | Invitation to tender documents in the form required by these contract procedure rules. |
| Key Decision | Decisions that are defined as key decisions in the <i>Constitution</i> . |
| Line Manager | An <i>Officer</i> designated by a <i>Director</i> to exercise the role reserved to the Line Manager by the contract procedure rules, this will be a Level 2 Manager (i.e. managers that report directly to a Director). |
| Members | Persons currently elected to serve on the Council |
| Monitoring Officer | The <i>Officer</i> defined as such in the <i>Constitution</i> |
| Nominated Suppliers and Sub-contractors | Those persons specified in a main contract for the discharge of any part of that contract. |

APPENDIX 1

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| Non-commercial Considerations | <ul style="list-style-type: none"> a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces ('workforce matters'). b) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only. c) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy. d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons ('industrial disputes'). e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors. f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees. g) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support. h) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959. Workforce matters and industrial disputes, as defined in paragraphs (a) and (d), cease to be non-commercial considerations to the extent necessary or expedient to comply with Best Value; or where there is a transfer of staff to which the Transfer of undertakings. (Protection of Employment) Regulations 1981 (<i>TUPE</i>) may apply. |
| Officer | The Officer designated by the Director to deal with the contract in question. |
| Parent Company Guarantee | <p>A contract which binds the parent of a subsidiary company as follows:</p> <ul style="list-style-type: none"> • if the subsidiary company fails to do what it has promised under a contract with the council, the council can require the parent company to do so instead. |
| Priority Services | Those services required to be tendered as defined in the EU public procurement directives. |
| Procurement Strategy | The document setting out the council's approach to procurement and key priorities for the next few years. |
| Project | The process set up by the Council to ensure that a project is |

APPENDIX 1

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| Management Methodology | executed in a disciplined and structured manor |
| Purchasing Guidance | The suite of guidance documents, together with a number of standard documents and forms, which supports the implementation of these Contract Procedure Rules. The guidance is available on the council's intranet. |
| Quotation | A quotation of price and any other relevant matter (without the formal issue of an <i>Invitation to Tender</i>). |
| Relevant Contract | Contracts to which these contract procedure rules apply (see Rule 4). |
| Resources Directorate | The directorate of the Council that includes responsibility for discharging the Council's procurement responsibilities |
| Service | The services provided by the Council are currently broken down into three directorates, each under the responsibility of a <i>Director</i> . |
| Short-listing | The process of selecting <i>Candidates</i> who are to be invited to quote or bid or to proceed to final evaluation. |
| Solicitor | Any Solicitor designated by the Council's Chief Executive or the Monitoring Officer. |
| Standing Orders | Part of the Council's Constitution called Council and Committee Procedure Rules on specifying rules for how business shall be conducted at meetings. |
| Supervising Officer | The <i>Line Manager's</i> immediate superior. |
| Tender | A <i>Candidate's</i> proposal submitted in response to an <i>Invitation to Tender</i> . |
| Tender Record Log | The log kept by the <i>Director of Resources</i> to record details of <i>Tenders</i> (see Rule 13.5). |
| Total Value | The whole of the value or estimated value (in money or equivalent value) for a single purchase or disposal calculated as follows: <ol style="list-style-type: none"> where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period. where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months. where the contract is for an uncertain duration, by multiplying the monthly payment by 48. for feasibility studies, the value of the scheme or |

Commented [D2]: Maldon calls them Contract Procedure Rules not standing orders they are the same thing

APPENDIX 1

contracts which may be awarded as a result.

- (e) for *Nominated Suppliers and Sub-contractors*, the total value shall be the value of that part of the main contract to be fulfilled by the *Nominated Supplier or Sub-contractor*.

TUPE
(Transfer of
Undertakings
(Protection of
Employment)
Regulations 2006)
(SI 2006 No.246)

Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the authority is transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a contracting out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.

Value for Money

Value for money is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.

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REPORT of DIRECTOR OF SERVICE DELIVERY

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

COUNCIL TAX SUPPORT SCHEME 2021 / 22

1. PURPOSE OF THE REPORT

- 1.1 To approve a significantly unchanged Local Council Tax Support Scheme (LCTS) for 2021 / 22.

2. RECOMMENDATIONS

To the Council

- (i) That the following changes to the existing Local Council Tax Support Scheme (LCTS) are approved:
- a. a cost of living increase in line with the Department for Work and Pensions schemes be included in the Local Council Tax Support Scheme for 2021 / 22 for Pensioners only;
 - b. that any legislative changes being introduced to the Housing Benefit Scheme, for 2021 / 22 are mirrored in the Councils LCTS scheme to ensure consistency;
 - c. that amendments to the discretionary provisions of the LCTS to ensure that the Council is able to administer the various schemes to reflect local and national guidance;
 - d. that the LCTS may reflect any additional changes to government welfare benefit regulations during the year which are intended to:
 - increase the income of benefit recipients; and
 - be introduced during a financial year to;to avoid any unintended consequences to customers.
 - e. that this decision has been made following Members careful reading of and regard to the Equality Impact Assessment at **APPENDIX 1**.

3. SUMMARY OF KEY ISSUES

- 3.1 Following the abolition of the National Council Tax Benefit Scheme in 2013 a replacement LCTS Scheme was approved by the Council on 13 December 2012 (Minute No. 688 refers), and a substantially unchanged scheme was approved for the subsequent years up to and including 2020 / 21.
- 3.2 The current scheme reflects the Council's decision to deliver a long-term sustainable scheme based on cost neutral principles, and it proposed that minimal changes be introduced to the scheme as above to ensure that scheme reflects national legislative changes.
- 3.3 **Scheme Costs and impact on Council Tax Collection**
 - 3.3.1 The net cost of the Council Tax Support Scheme for 2020 / 21 to date is being largely contained within the collection fund. The consequence of future welfare reforms and current effect of collection rates due to the Pandemic may adversely affect this but based upon current projections the proposed LCTS scheme remains sustainable for 2021 / 22.
 - 3.3.2 Additional support and advice continue to be provided to customers who have difficulty in paying, including independent budgeting and financial advice provided by Maldon Citizens Advice.
- 3.4 **Changes to scheme in year**
 - 3.4.1 During 2020 / 21 we have seen some in year changes to welfare benefits schemes to provide additional support for customers, primarily as a result of the Pandemic. As the Council Tax Support schemes are locally determined this has had an unintended consequence of any additional help from Central Government being eroded by local schemes to assist with Council Tax. This year's scheme makes provision for us to be able to amend our scheme to mirror wider Welfare Benefit changes and avoid any unintended impact.

4. CONCLUSION

- 4.1 The significantly unchanged scheme support the delivery a largely cost neutral LCTS Scheme within the budget proposed for 2021 / 22.
- 4.2 Provision has been made to enable changes to the scheme during the year as a result of unexpected Government welfare benefit regulations, to ensure that the changes do not have unintended consequences to Customers.
- 4.3 An Equality Impact Assessment has been undertaken showing no significant issues with the proposed scheme.

5. IMPACT ON STRATEGIC THEMES

- 5.1 A Local Council Tax Support Scheme supports the Councils Goal of “Healthy, safe and vibrant communities” by ensuring that the service can be targeted to reduce inequalities and the goal of “excellent services and value for money” by complying with its statutory obligations in the most efficient and effective way.

6. IMPLICATIONS

- (i) **Impact on Customers** – 3,512 residents are currently entitled to LCTS of which is an increase of almost 9% from the previous year.
- (ii) **Impact on Equalities** – An Equalities Impact Assessment of the LCTS scheme has been undertaken. Members are asked to carefully consider the content of the assessment as part of their decision to approve the proposed LCTS scheme for 2021 / 22.
- (iii) **Impact on Risk** – The proposed scheme is expected to continue to deliver a cost neutral scheme. The cumulative effects of various welfare reforms and Pandemic continue to have an effect both upon Council Tax collection and the number of customers with housing issues. The impacts are being monitored with help and advice being provided by the Council and its partners to support customers.
- (iv) **Impact on Resources (financial)** – The cost of the proposed scheme is largely within budget. The expenditure on the scheme is monitored on a monthly basis, and any significant variations will be reported to Members.
- (v) **Impact on Resources (human)** – The proposed LCTS scheme can be delivered within existing staffing resources.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers:

Enquiries to: Sue Green, Customer, Casework and Community Engagement Manager.

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Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

| | | |
|--|-----------------------------|---------------------------------------|
| Title Council Tax Support scheme for 2021 / 22 | Date January 2021 | Officer Preparing Sue Green |
| 1. Background | | |
| <p>1.1 Description of proposal / policy / service (Including aims, outcomes and in the case of an existing service how long it has been delivered in its current format)</p> <p>Council Tax Support aims to help people with low incomes to meet their Council Tax obligations, covering payment of Council Tax and Discounting of Council Tax</p> <p>The aim of Council Tax Support is</p> <ul style="list-style-type: none"> • To have a fair and equitable scheme • To maintain support for particularly vulnerable people within the constraints imposed by Government policy <p>The service areas or partner agencies involved are</p> <ul style="list-style-type: none"> • Maldon District Council • Any authority that can levy a charge to contribute to Council tax • Essex authorities who are sharing the scheme • All Essex precepting authorities • Department for Work and Pensions • Department for Communities and Local Government <p><i>There are no proposals to change the current scheme, other than to mirror national scheme changes.</i></p> | | |
| <p>1.2 Who are the users of the proposal / policy / service (Refer to data held about the users of the service i.e. numbers of users, demographic breakdown. Having this information is important to understand which sectors of the community might be affected. If that is not available refer to the demographic data held on the intranet.)</p> <p>Broadly, this affects those liable for Council Tax within the District and adults on a low income with low savings</p> <p>There are 3512 Council Tax Support Claimants</p> | | |
| 1.3 Have users been consulted with? (Have you carried out consultation with users or stakeholders while drawing up the proposal / policy / service? For example, | | |

Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

have you carried out a formal consultation, discussed the issue with a Friends/User Group or consulted with stakeholders? If so, outline the results and how it has informed your plans. It's also important to show whether the target audience was reached during the consultation.)

There are no changes proposed to existing policy.

1.4 If the analysis is regarding an existing Service, what are users' views of that Service? (Base your view on evidence such as satisfaction surveys, levels of compliments and levels of complaints).

The Revenues and Benefits team is a good performing team that historically has met locally set performance targets. For the current financial year (2020-21) the team is striving to meet those targets, but as a result of high demands from the impact of the pandemic coupled with the impact of organisational change and resource challenges those targets are likely to remain a challenge,

The service is making good progress, and ensures that claims are prioritised to reduce impact on our most vulnerable customers.

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Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

2. Equality Aims – consider how the proposal / policy / service meets the three Equality Aims listed in the Equality Act.

| Aim | How does the proposal / policy / service meet the equality aim? | Action or addition needed in order that the proposal / policy / service meets the aim? |
|---|---|--|
| 2.1 To eliminate unlawful discrimination, harassment and victimisation | <ul style="list-style-type: none"> Higher Rate Disability benefits will continue to be disregarded thereby protecting those with specific long term conditions who fall within this group. Without such action to protect this group the policy could potentially be discriminatory. There is also an Exceptional Hardship Scheme which can assist customers with specific circumstances. | None required |
| 2.2 To advance equality of opportunity between people who share a protected characteristic and those who do not | <ul style="list-style-type: none"> Older people are protected in the policy, which follows specific Government Regulations. Parents who receive a child benefit will continue to have this disregarded as part of the CTS calculation, which is consistent with the Council's duty to safeguard and promote the welfare of children. Higher rate Disability Benefits will continue to be disregarded thereby protecting those with specific long term conditions who fall within this group. In 2014 it was also agreed that Lone Parents receive a disregard of £15 per week from Child Maintenance payments A hardship fund exists to ensure provision for those residents who have exceptional circumstances. | |

Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

| | | |
|---|---|--|
| 2.3 To foster good relations between those who share a protected characteristic and those who do not | <ul style="list-style-type: none"> The scheme remains means tested so the scope for discrimination is limited. All working age customers | |
|---|---|--|

3. Equality Impacts – examine how the proposal / policy / service impacts on the community. Base the analysis on evidence. Attach additional documents if necessary.

| Impacts | Positive impact (X) | Could adversely impact (X) | No impact (X) | How different groups could be affected: Summary of impacts | Actions to reduce negative or increase positive impact |
|---|--------------------------|-------------------------------------|--------------------------|---|---|
| 3.1 Age (What will the impact be on different age groups such as younger or older people?) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Older People (60+) are specifically protected under Government Regulations | |
| 3.1 Age (What will the impact be on different age groups such as younger or older people?) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Due to the protection afforded to those of pensionable age, customers of working age are impacted directly by any changes to the scheme. People over 18 of working age will potentially be required to pay more. | Parents will continue to have Child Benefit disregarded in the CTS calculation which is consistent with the Council's duty to safeguard and promote the welfare of children. The Council will continue to provide information and advice on income maximisation and a contracted Independent Advice Service to support residents |
| 3.2 Disability (Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | People with disabilities who are below pensionable age may need to pay more. | Higher Rate Disability Benefits continue to be disregarded (i.e. Disability Living Allowance) thereby protecting those with specific long term conditions. A hardship fund exists to ensure |

Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

| | | | | | |
|--|----------------------------|-----------------------------------|-------------------------------------|--|---|
| | | | | | provision for those residents who have exceptional circumstances. |
| Impacts | Positive impact (X) | Could adversely impact (X) | No impact (X) | How different groups could be affected: Summary of impacts | Actions to reduce negative or increase positive impact |
| 3.3 Pregnancy and Maternity (Think about pregnancy, new and breastfeeding Mums) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| 3.4 Sex (is the service used more by one gender and are the sexes given equal opportunity?) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | CTS is means tested and therefore gender is not a factor in the calculation of support. | |
| Impacts | Positive impact (X) | Could adversely impact (X) | No impact (X) | How different groups could be affected: Summary of impacts | Actions to reduce negative or increase positive impact |
| 3.5 Gender Reassignment (Is there an impact on people who are going through or who have completed Gender Reassignment?) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | CTS is means tested and therefore gender is not a factor in the calculation of support | |
| 3.6 Religion or belief (Includes not having a religion or belief) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | CTS is means tested and therefore religion is not a factor in the calculation of support | |
| 3.7 Sexual Orientation (What is the impact on heterosexual, lesbian, gay or bisexual people?) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | CTS is means tested and therefore this characteristic is not a factor in the calculation of support | |
| 3.8 Race (Includes ethnic or national origins including Gypsies and | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | CTS is means tested and therefore this characteristic is not a factor in the calculation of support. | |

Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

| | | | | | |
|---|--------------------------|-------------------------------------|--------------------------|---|--|
| Travellers) | | | | | |
| 3.9 Socio-Economic Group (Will people of any particular socio-economic group be particularly affected?) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Council Tax Support is designed to help people who have restricted incomes. Any additional changes to the proposed scheme will therefore have an impact on those who claim support – particularly those of working age. | A hardship fund exists to ensure provision for those residents who have exceptional circumstances. |
| <p>4. Is there a Cumulative Impact? (If the same group is the subject of many changes or reductions the overall impact is much greater. Consider what else is happening within Maldon District Council that may have an impact and also what we know is happening elsewhere (such as Essex County Council). See Guidance for further advice.)</p> <p>The requirement to introduce a local Council Tax scheme and to make savings has been introduced via Government policy so each year our scheme must be reviewed and a proposal must be pursued following a public consultation.</p> <p>Whilst the authority may choose to allocate funding to ensure full protection for all customers, to date this has not been considered to be financially sustainable. Furthermore, the results from public consultations would appear to agree that customers claiming support should pay towards their Council Tax.</p> | | | | | |
| 5. Outcome | | | | | |
| <p>5.1 Consider all the analysis and evidence above and indicate</p> <p>(1) No change needed <input checked="" type="checkbox"/> (2) Adjust <input type="checkbox"/> (3) Adverse impact but continue <input type="checkbox"/> (4) Stop, remove the proposal / policy / service <input type="checkbox"/></p> | | | | | |
| <p>5.2 Adjustments</p> <p>If option (2) above is selected please detail what adjustments are needed, who is responsible and how that will be reviewed. Also outline how that will be agreed (i.e. Committee, CMT).</p> | | | | | |
| <p>5.3 Decision Making (How will this equality analysis be taken into account during the decision making process? For example will it be included with a report to</p> | | | | | |

Maldon District Council Equality Analysis

Please complete the questions below as fully as possible - the boxes will expand to accommodate your text. Please include the document version in the footer below.

Committee/CMT? Will it be considered at department level or by a Head of Service? How will community/stakeholders views be taken into account?)

The Equality analysis will be included within the decision making process which includes consideration at

- Strategy and Resources Committee on 28 January 2021
- Full Council on 23 February 2021

6.0 Next Steps

6.1 If there was a lack of evidence or data held on which to base this assessment, how will that gap be addressed for the future?

Not applicable

6.2 Summary of actions highlighted within this analysis (Include how this will be picked up within service/work plans)

None

6.3 Arrangements for future monitoring of equality impact of this proposal / policy / service

To be reviewed at least annually, or where relevant changes occur which may have an impact.

6.4 Approved by (Manager or Head of Service signature and date)

Sue Green (Customer, Community and Casework Manager)

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

PAY POLICY STATEMENT

1. PURPOSE OF THE REPORT

- 1.1 To meet the statutory requirement to annually seek the Council's approval of a Pay Policy Statement.

2. RECOMMENDATION

To the Council:

That the Pay Policy Statement attached at **APPENDIX 1** to this report be adopted for 2021.

3. SUMMARY OF KEY ISSUES

- 3.1 The Localism Act 2011 requires that Councils publish a Pay Policy Statement describing the approach of the authority to the remuneration of the highest ("Chief Officers") and lowest paid staff. The Pay Policy Statement was originally put in place on 1 April 2012. This has to be annually approved by the elected Members of the Council.
- 3.2 The Ministry for Housing, Communities and Local Government has published formal Guidance in respect of meeting this requirement. This defines a large number of specific issues which must be addressed in the Statement but leaves it to the discretion of each authority as to what their policy is toward these matters.
- 3.3 The Pay Policy Statement has been reviewed and is attached at **APPENDIX 1**. It reflects the current arrangements for pay at Maldon District Council.

4. CONCLUSION

- 4.1 To meet the requirements of the Localism Act 2011 the Committee is requested to recommend to the Council the re-adoption of the Pay Policy Statement attached at **APPENDIX 1**.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The publication of a Pay Policy Statement aids transparency in line with the corporate goal of “Delivering good quality, cost effective and valued services”.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – Part of the government rationale for the publication of the Pay Policy Statement is to highlight the relative pay of the highest and lowest paid staff.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – An estimate of the yearly staff pay award increase must be added to the Medium-Term Financial Strategy (MTFS).
- (v) **Impact on Resources (human)** – To administer the requirements of the pay policy.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to:

Annette Cardy, Resources Specialist Services Manager, Annette.cardy@maldon.gov.uk

Document Control Sheet

| | |
|---|--------------------------------------|
| Document title | Pay Policy Statement |
| Summary of purpose | Compliance with Localism Act |
| Prepared by | Senior Specialist- HR |
| | |
| Status | Final |
| Version number | 9 November 2020 |
| Approved by | |
| Approval date | |
| | |
| Date of implementation | Immediate |
| Review frequency | Annual (or as necessary before then) |
| Next review date | November 2021 |
| Circulation | |
| 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
COUNCIL

Pay Policy Statement

Note: This Statement has been written to meet the statutory requirements of the Localism Act 2011 and to aid transparency in respect of Maldon District Council's policy regarding pay to the highest and lowest paid staff.

1. General policy

- 1.1 During 2018 the Council initiated a transformation programme. As part of this a Council wide Job Evaluation exercise was carried out on all posts based on a uniform set of criteria and placing all roles within a single unified pay scale. The pay scale was benchmarked and designed to be consistent with best practice. In accordance with the Council's constitution, the remuneration of the Director posts are set by the Appointments Committee made up of elected Members of the authority and based upon the above principles.
- 1.2 The Job Evaluation process was designed to achieve compliance with Equal Pay legislation and to standardise the contractual terms and conditions of staff. Remuneration of all Council employees is now governed by a single set of policies and procedures.
- 1.3 The Pay Multiple is the ratio between the highest taxable earnings and the median earnings figure for the whole authority in accordance with the Transparency Code 2014. For Maldon for 2020.21 the ratio between the Director salary and the median of all staff is 3.66. The Government has considered setting twenty to one as a maximum. As Maldon District's Council's rate is currently below this amount it is not considered necessary to have a specific policy concerning the pay multiple. If the multiple starts to rise, for example above five to one, this could be reconsidered.

2. Policy regarding pay to "Chief Officers"

2.1 Definition of "Chief Officers" for the purposes of this statement

- 2.1.1 The term "Chief Officer" as employed in the Localism Act has a different meaning to the use made of it at Maldon District Council. For the purposes of this Pay Policy Statement only, the relevant posts are considered to be as listed below. To note; there is no Chief Executive post in the Maldon structure.

- The three Director posts
- The Monitoring Officer

2.2 Pay

- 2.2.1 Pay for the post of Directors is set by the Appointments Committee and approved by the Council. The role of Director was introduced following the 2014 Senior Management Review and pay set by the Job Evaluation process in 2018. The pay line of Directors is subject to the same factors as the rest of staff pay, for example any annual pay award granted.

2.2.2 Any exception to this, such as a proposal to change the pay of senior staff out of line with normal pay awards would be subject to a report to the Council and approval being given.

2.2.3 Directors have delegated powers to award discretionary points on an officer's salary scale within approved budgetary limits where they deem it to be in the interests of the Authority. This only applies to points up to the maximum of the salary band for that post.

2.3 Performance related pay and bonuses

2.3.1 Maldon District Council does not have performance related pay or bonus payments for any staff. As there is no mechanism for linking pay and performance in this way 'earn back' arrangements are not appropriate.

2.4 Fees, allowances, benefits in kind and expenses

2.4.1 The Director of Strategy, Performance and Governance is also the Returning Officer for the District, meaning that the post holder has specific responsibilities in respect of all elections and national referenda held in the District. These duties attract fees that are variable depending on the election. For Parliamentary, Police, Fire and Crime Commissioner, European elections and national referenda these are set by the Government, for County elections by Essex County Council and for District and Parish elections these are set locally.

2.4.2 Apart from this no fees, allowances, benefits in kind or expenses are available to the posts listed in 2.1, other than those available to all staff and on the same basis.

2.5 Pension

2.5.1 All staff are eligible to join the Local Government Pension Scheme in accordance with the terms of that scheme. No special considerations apply to the posts listed in 2.1.

2.6 Severance payments

2.6.1 Where senior staff leave in the normal course of business (resignation, retirement, etc.) the same procedures would be applied as for any other staff member and no additional payments would arise as a result.

2.6.2 Should a staff member be made redundant the post holder would receive redundancy payments in accordance with the Council's Managing Organisational Change policy and the Public Sector Exit Payment Cap legislation introduced in 2020. This restricts exit payments to 95K including any pension strain. The Council's policy is not to award any additional compensatory payments to staff.

2.6.3 Should a staff member leave as a result of a settlement agreement these, by their nature, are subject to negotiation with the individual and their representatives and so are variable in their terms. Such agreements are formal legal arrangements and confidentiality binding on both parties is a key component, so any payment arising from such an agreement would not be published. Authorisation of the payment would be in accordance with the Council's terms of reference and scheme of delegation and it would need to represent value for money for the taxpayer in the circumstances.

2.6.4 Senior staff that were previously employed by the Authority and left with a severance or redundancy payment may be re-employed on a consultancy basis to cover short term staff pressures where it is considered appropriate and in the public interest to do so.

2.7 Recruitment of senior staff

2.7.1 When recruiting to a senior post the salary offered would be that applicable to the grade of the post, as determined by Job Evaluation, and within the established pay line. No additional payments would arise, unless a market supplement to enable recruitment was considered justified due to a recognised technical skill shortage in the job market.

2.7.2 In the event that a senior post was to be filled by a person who had retired from another Authority and was in receipt of a pension it would be arranged so that the person was not better off overall, through abatement of pension and/or pay as applicable.

2.7.3 In accordance with the guidance set out in the Localism Act, The Strategy and Resources Committee should be given the opportunity to vote before large salary packages (£100k or above) are offered in respect of a new appointment.

2.8 Monitoring Officer

2.8.1 The Monitoring Officer is not subject to any additional payment.

2.9 Publication of remuneration of senior staff

2.9.1 This Pay Policy Statement, once approved by the Council, will be published on the Council's website.

2.9.2 The remuneration and pension contributions of the Directors are published annually in the Financial Statements of the Authority, along with the numbers of employees whose remuneration and pension contributions are £50,000 and over. A copy of the Financial Statement is placed on the Council's website.

***3. Lowest paid staff and Real Living Wage**

3.1 Definition

- 3.1.1 Maldon District Council are committed to paying the Real Living Wage currently this is £9.50 per hour. Staff in Pay Bands A and B, spinal points 1 to 8 are paid the real living wage rate which is currently £9.50 per hour from 9th November 2020 or £18,327.21 per annum for full time equivalent earnings.

3.2 Pay Policy in respect of lowest paid staff

- 3.2.1 No special considerations apply to the lowest paid staff. They are subject to identical terms and conditions, procedures and policies as all other staff. In some cases, these policies give slightly different benefits to different levels of staff. For example, the lowest five pay bands (A to E) an enhanced pay rates for overtime is paid. No enhancement above grade E is paid. In contrast the basic amount of annual leave increases with pay. Overtime is only paid in exceptional circumstances to staff.

The Council employs Apprentices but these are not included within the definition of 'lowest paid employees' and are not subject to the living wage rate as they are paid the legal pay rate for Apprentices.

3.3 Pay Award

- 3.3.1 The National Joint Council (NJC) negotiates pay on behalf of Local Government and Maldon District Council are committed to paying its employees the nationally agreed pay award each year. The award for 2020.21 was 2.75%.
- 3.3.2 Employees who have left the Council's employment prior to their pay award being implemented may submit a written request for payment of monies owing to them.

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

INSURANCE TENDER

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to obtain agreement to commence the Council's insurance contract tender. The current Long-Term Agreement (LTA) is due to end on 30 September 2021 and new contracts will need to be in place to start on 1 October 2021.

2. RECOMMENDATIONS

To the Council:

- (i) that the tender process to ensure the Council has compliant insurance contracts in place by 1 October 2021 be commenced;
- (ii) that the insurance contract tender process be put in place for five years with an option to extend the process for a further two years (Long Term Agreement) LTA.

3. SUMMARY OF KEY ISSUES

- 3.1 The insurance renewal policies for Maldon District Council (MDC) have currently been extended by one year from 1 October 2020 to 30 September 2021 but this is the last extension that can be used and a full re-tender process must take place for 1 October 2021.
- 3.2 Insurance brokers and risk management specialist Arthur J. Gallagher Insurance Brokers Limited has been appointed to assist the Council regarding the insurance tender process and they will work with Procurement on the tender exercise in accordance with the Council's Contract Procedure Rules.
- 3.3 It is necessary to have an Insurance broker to support the tender process and the on-going yearly policy renewals as most Insurance companies will not deal directly with customers. The broker will ensure the most competitive insurance policies are obtained for the Council.

- 3.4 The Council's insurance tender will be tendered in the following lots in order to seek best value for money as shown in the table below:

| Lot Number | Lot Title | Description |
|-------------------|------------------------------|--|
| 1 | Property Insurance Services | Material Damage, Business Interruption, Money, "All Risks", Theft |
| 2 | Casualty Insurance Services | Employer's Liability Public / Products Liability Officials Indemnity Libel & Slander Land Charges Public Health Act |
| 3 | Pecuniary Insurance Services | Fidelity Guarantee |
| 4 | Personal Accident and Travel | Personal Accident / Business Travel |
| 5 | Computer Insurance Services | Computers |
| 6 | Property Insurance Services | Cyber Insurance |
| 7 | Engineering Services | Engineering Inspection and Insurance |
| 8 | Motor Insurance Services | Motor Fleet |
| 9 | Marine Insurance Services | Marine |

- 3.5 The policy renewals for 2020 / 21 amounted to £144,270.97 using this figure as a guide for a five plus two-year LTA the insurance contract will have an estimated cost of around £1m in total.
- 3.6 Due to the level of work required to complete an insurance tender and to remain compliant with tender timescales it is important that the work starts as soon as possible to carry out a gap analysis and determine insurance requirements going forward. We will also review the possible impact of COVID-19 on the insurance market and how this will relate to the Council's insurance policies.
- 3.7 The Council needs to adequately protect itself against possible major losses and limit the financial exposure of the Council to the cumulative effect of small losses. The Council must also comply with any statutory requirements to have in place particular policies of insurance and associated inspection systems.

- 3.8 The first draft of the timetable for tender is set out in the table below, the final dates are to be confirmed:

| Element of Process | Who to attend | When |
|---|-----------------------|------------------|
| Arthur J. Gallagher Insurance Brokers Limited (Gallagher) meet Maldon District Council (Maldon DC) Stakeholders – including Insurance Manager, Procurement. Plan and Timetable agreed | All | 16 December 2020 |
| Gallagher to Issue Example Award Criteria Structure for discussion and sign off by Council Procurement | Gallagher | 16 December 2020 |
| Complete initial Gap analysis for discussion with Insurance Manager | Gallagher / Maldon DC | 2 January 2021 |
| Draft Insurance Specification by | Gallagher | 31 January 2021 |
| Discussion over the ITT progress and the further information needed | Gallagher / Maldon DC | 3 February 2021 |
| Obtain updated Loss Experiences from Insurers (cut off 1st April 2021) | Gallagher | 6 April 2021 |
| Draft Official Journal of the European Union (OJEU) notice for approval and agreement | Maldon DC / Gallagher | 9 April 2021 |
| Iterate and Update the Tender Specification and ancillary documents | Gallagher | To 24 May 2021 |
| Award Criteria finalised including weightings | Gallagher / Maldon DC | 24 May 2021 |
| Final Version of Documents sent to Maldon DC for sign off | Gallagher | 24 May 2021 |
| Complete Tender Document sign off | Maldon DC / Gallagher | 1 June 2021 |
| Publication of OJEU Notice | Maldon DC | 3 June 2021 |
| Maldon DC advertises Tender on Contract Finder | Maldon DC | 3 June 2021 |
| Tender documents available to Insurers (allowed 35 days for tender) | Maldon DC | 7 June 2021 |
| Last date for submission of questions | Insurers | 28 June 2021 |
| Date upon which all questions will be responded to | Gallagher / Maldon DC | 5 July 2021 |
| Closing date for return of tender submissions | Insurers | 12 July 2021 |
| Follow up meeting with Maldon DC – cursory view of tenders and any immediate issues, disqualifications etc. | Gallagher / Maldon DC | 13 July 2021 |
| Complete clarification with insurers | Gallagher / Maldon DC | 30 July 2021 |
| Present tender evaluation report with recommendations to Maldon DC by | Gallagher | 2 August 2021 |
| Maldon DC to confirm decisions and provide instructions to Gallagher | Maldon DC | 18 August 2021 |
| Standstill Letters issued | Gallagher / Maldon | 20 August 2021 |

| Element of Process | Who to attend | When |
|--|-----------------------|----------------------------------|
| | DC | |
| Standstill period ends | To be confirmed (TBC) | 31 August 2021 |
| Contract Awarded | TBC | 1 September 2021 |
| Follow up meetings with Successful Insurer(s) | Gallagher | Week commencing 6 September 2021 |
| Gallagher places insurance programme(s) by | Gallagher | 30 September 2021 |
| Insurance Cover incepts on | All | 1 October 2021 |
| Contract Award Notice to OJEU – within 30 days of award – by | TBC | 1 October 2021 |

4. CONCLUSION

- 4.1 MDC must ensure an insurance policy is in place after 1 October 2021. A full tender process and LTA are required to ensure the best value and quality policy for the Council.
- 4.2 The LTA and Insurance service to date has met and continues to meet the Council's needs.
- 4.3 The engagement of a broker to facilitate the tender process will be the best route to ensure that the Council can obtain the most competitive premium rates and ensure that cover is in place by 1 October 2021.

5. IMPACT ON STRATEGIC THEMES

- 5.1 Ensuring the delivery of good quality, cost effective and valued services in a transparent way to meet Corporate goals of good performance and efficiency.

6. IMPLICATIONS

- (i) **Impact on Customers** – None arising from the report.
- (ii) **Impact on Equalities** – None arising from the report
- (iii) **Impact on Risk** – The purchase of insurance represents a transfer of risk to protect the Councils assets and to ensure funds are available to meet any liabilities arising from a loss.
- (iv) **Impact on Resources (financial)** – The current cost of insurance premiums is £144, 270.97 per annum.
- (v) **Impact on Resources (human)** – None arising from this report.

- (vi) **Impact on the Environment** – None arising from this report.
- (vii) **Impact on Strengthening Communities** – None arising from this report.

Background Papers: None.

Enquiries to: Alastair Morrell, Resources Casework Manager.

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REPORT of DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

CORPORATE PLAN UPDATE 2021 - 2023

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to update the Committee on the progress that has been made to update the Maldon District Council Corporate Plan.

2. RECOMMENDATIONS

- (i) that the progress made on developing the update to the Corporate Plan be noted;
- (ii) that a Corporate Plan Task and Finish Working Group be established to review and validate the updated Corporate Plan prior to its referral to the Council in March 2021; and
- (iii) that six Strategy and Resources Committee Members be appointed to serve on the Corporate Plan Task and Finish Group.

3. SUMMARY OF KEY ISSUES

- 3.1 The Corporate Plan is the Council's top-level strategy; setting out its strategic direction by providing a framework for the resourcing and delivery of service priorities.
- 3.2 The Council approved a Corporate Plan for the period 2019 - 2023 on 14 February 2019 (Minute No. 871 refers). It established an impact and outcome focused approach setting 32 strategic outcomes that sought to establish medium to long term consequences that the Council wanted to secure for the District.
- 3.3 A Thematic Strategy for three outward facing strategic themes of Place, Prosperity and Community were prepared later during 2019, providing further interpretation and detail on activities the Council would work on, which was to be linked back to Service Plans, Project Programmes and staff personal SMART objectives. Underpinned by an organisational focus of Performance and Value, collectively, these have helped the Council allocate resources, apply for grant funding and determine capital expenditure priorities.

- 3.4 As reported to the Performance, Governance and Audit Committee on 21 September 2020 (Minute No. 1215 refers), the Council's approach to service delivery and its corporate priorities has had to change in response to the Covid-19 pandemic. Whilst the Council offices have been closed to most staff, digital solutions have enabled staff to work remotely to ensure services that the Maldon District communities rely on continue to be provided. Some resources have however had to be redeployed or reprioritised to respond to both the pandemic's restrictions and the District's residents' and businesses needs, as well as supporting community and healthcare partners meeting new or increased demands for their own services. This activity was not forecast to be a Council priority when the Corporate Plan 2019 - 2023 was approved.
- 3.5 As the Committee will be aware, the Covid-19 pandemic continues to evolve and the socio-economic and health and well-being impacts of lockdown cycles, tourism and hospitality restrictions, education delivery, employment, businesses and healthcare continue to be felt across our residential and business communities. Whilst it is hoped that the new vaccinations will, in time, enable the cessation of restrictions, there remains uncertainty as to when and to what extent this might be.
- 3.6 These challenges mean the Council needs to continue to adapt to the changing environment and it is therefore considered that now is an opportune time to update the Corporate Plan to ensure it remains relevant to the challenges faced.
- 3.7 **Emerging Corporate Plan Update**
- 3.7.1 Officers have completed a review of updated legislation, national policy and strategies to ensure the Corporate Plan's context is up to date. There has also been a review of updated strategies, programmes and initiatives from public sector partners such as Essex County Council, Highways England and the NHS (National Health Service). In addition, using data from the Corporate Performance Framework and key performance indicators relevant to Maldon District, further appreciation of what is happening in our communities has taken place.
- 3.7.2 A review of the existing 32 outcomes has shown that many of the areas the Council has been focusing on through the Corporate Plan, remain relevant locally and should be retained; although some outcomes could be merged or condensed through rewording, so they remain focused and relevant.
- 3.7.3 This distilling process has led to an overall reduction in the number of proposed outcomes to make the Corporate Plan more manageable. All new outcomes have been mapped against a justifiable rationale, whether they help deliver statutory / non-statutory obligations, links to supporting evidence and the identification of Key Success Factors. Each outcome has also been expanded to consider the work priority areas and projects that would be deployed to deliver the outcome, including stakeholder and partnership mapping and Key Performance Indicators (KPIs).
- 3.7.4 The new proposed external facing outcomes are:
1. Promoting civic pride and maintaining the District's environmental quality;
 2. Reducing the impacts of waste disposal and pollution on the environment;

3. Work with partners to maintain and improve resilience to the effects of climate change on our waterways and coastline;
 4. Delivering the District's housing needs;
 5. Delivering sustainable growth and new infrastructure through development;
 6. Enabling future economic investment and new jobs;
 7. Supporting existing local businesses;
 8. Enhancing and promoting the District's visitor economy;
 9. Working with our communities and partners to improve the physical health and well-being of our residents;
 10. Working with our communities and partners to improve the mental health and well-being of our residents;
 11. Ensuring the safety and wellbeing of all vulnerable children, adults and families;
 12. Building on the strengths of our diverse communities to enable them to support themselves and help each other thrive; and
 13. Working with our communities, schools and partners to improve our children's and young people's health and wellbeing, so they get the best start in life.
- 3.7.5 Work remains underway to finalise a suite of internal focussed outcomes that shape and embed common organisational values, deliver good governance, use partnerships to aid delivery, operate within financial means and support a more flexible workforce.

3.8 Engagement

- 3.8.1 It is important that the development of the Corporate Plan does not happen in isolation. To this end, engagement with the public, businesses and staff to determine what others feel the Council should focus its resources on is important. The results of resident, business, staff or partner engagement carried out during 2020 will therefore be useful to inform the Corporate Plan update.
- 3.8.2 Specifically, in relation to the Corporate Plan update, a Member Engagement Survey was sent to all Councillors on 4 January 2021 seeking views on the existing Corporate Plan; whether there were any particular areas of the Council's work focus which Members felt the Council's resources should be deployed to serve the District better; and for views on selecting and adopting common values to embed into the organisation.
- 3.8.3 Given this engagement, it is proposed that a six-member Task and Finish Working Group be established by the Committee to distil the feedback received and ensure the Corporate Plan update has adequately considered the input made.

4. CONCLUSION

- 4.1 Updating the Council's Corporate Plan is critical to ensure the Council is focusing on delivering the most relevant outcomes via its direct services and when engaging with

partners. It is intended that a report will be presented to the Council in March 2021 seeking approval of the Corporate Plan update.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Strategic Themes of Place, Prosperity and Community and the organisational focus of Performance and Value are to be strengthened through updating the Corporate Plan to ensure it is responsive to the issues facing the District's residents, businesses, Council partners and staff. The Place, Prosperity and Community Strategies would be updated following the update to the Corporate Plan 2021 - 2023.

6. IMPLICATIONS

- (i) **Impact on Customers** – Service Planning and performance management is about agreeing and achieving objectives and priorities, monitoring our performance against agreed targets and timescales, identifying opportunities for improvement and delivering quality public services to our residents, businesses and partners.
- (ii) **Impact on Equalities** – The Council aims to understand the needs of staff and customers and making sure that our policies and services are designed to meet those needs and are implemented appropriately. Maldon District Council (MDC) is committed to providing equal opportunity of access to services and ensuring communities are positively inclusive and free from discrimination.
- (iii) **Impact on Risk** – Without agreed and clearly stated priorities, the Council will be at risk of not effectively focussing its work and, in turn, efficiently directing limited resources. Those risks that may prevent the Council from achieving priorities outlined in the Corporate Plan will be identified and reviewed annually through a Corporate Risk Register, together with the monitoring of the effectiveness of controls and whether further actions should be taken forward to mitigate the risks as much as possible.
- (iv) **Impact on Resources (financial)** – The strategic planning process includes the agreement of budgets by Members. Service Planning can be prepared based on the budget available, accounting for the outcomes set out in the Corporate Plan.
- (v) **Impact on Resources (human)** – Service Planning can be prepared based on the resources available, accounting for the outcomes set out in the Corporate Plan.
- (vi) **Impact on the Environment** – The importance of protecting and enhancing the local environment is fully recognised in the Corporate Plan; with the update seeking that specific local effort is expended in developing an Environment and Climate Change Strategy, alongside other Place, Prosperity and Communities Strategies.
- (vii) **Impact on Strengthening Communities** - The importance of strengthening communities is fully recognised in the Corporate Plan; with the update seeking

that the Council's resources be deployed to help communities thrive with support where it is necessary.

Background Papers: None.

Enquiries to: Paul Dodson, Director of Strategy, Performance and Governance.

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
28 JANUARY 2021**

DONATION OF LAPTOPS FOR ESSEX CHILDREN

1. PURPOSE OF THE REPORT

- 1.1 To seek approval for the donation of the Council's obsolete laptops to Essex County Council for use by children in Essex who do not have access to suitable devices for online learning.

2. RECOMMENDATION

That the Council's four remaining obsolete laptops and four iPads are donated to Essex County Council's laptop recycling scheme.

3. SUMMARY OF KEY ISSUES

- 3.1 Essex County Council has launched a laptop recycling scheme, which seeks to provide laptop devices to young people who need them for educational purposes. It became apparent during the last lockdown that some young people did not have laptops to access work that was being set at home, this scheme looks to close the tech gap. Essex County Council (ECC) has partnered with End of Life IT Services (EOL), based in Maldon, to take old devices and either recondition them for future use or sell them and then use the residual value to purchase Google Chromebooks for children who need them. Essex County Council prioritised their own devices as the first 'pilot' of the model, and EOL have processed this first batch of donated laptops (500) - the reconditioned laptops, or their residual financial value, is 100% redirected into devices for Essex children.
- 3.2 They are now ready for phase two of the project and so are branching out to ask for old laptop donations from businesses and organisations across Essex.
- 3.3 In addition, although specifically not requested by ECC, we can offer the remaining iPads to see if these can be of use to young people for education.

4. OBSOLTE LAPTOPS

- 4.1 The Council holds four older laptops which do not have cameras and are therefore not fit for use by Maldon District Council (MDC) and were due to be sold. The maximum re-sale value of each laptop is estimated at £350 (total £1,400). It also

holds four iPads which are no longer required. These have a re-sale value of £100 (total £400).

- 4.2 Contract Procedure Rules set out the approved process for disposal of Council assets and first refusal is given to the Parish Councils (at market value). Disposal is then by way of an auction, quote or tender.
- 4.3 Strategy and Resources Committee has financial delegation up to £20,000 and is therefore able to approve an allocation of these resources.

5. CONCLUSION

- 5.1 Donations of the laptops would be used to support the learning of children in Essex. There would be a loss of income of up to £1,800 by donating rather than selling.

6. IMPACT ON STRATEGIC THEMES

- 6.1 This fits with the strategic theme of Community.

7. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on resources (financial)** – The income lost from donation of the assets is estimated to be no more than £1,400.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to:

Annette Cardy, Resources Specialist Services Manager (annette.cardy@maldon.gov.uk).

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