

APOLOGIES Committee Services
Email: Committee.clerk@maldon.gov.uk

DIRECTOR OF STRATEGY,
PERFORMANCE AND
GOVERNANCE
Paul Dodson

7 July 2021

Dear Councillor

You are summoned to attend the meeting of the;

STRATEGY AND RESOURCES COMMITTEE

on **THURSDAY 15 JULY 2021 at 7.30 pm**

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

Please Note that due to social distancing and space limitations, we require any members of the public or press who wish to attend physically and observe or speak under Public Participation rules at this meeting to complete [a request form](#) (to be submitted by 12noon on the working day before the Committee meeting). This will be reviewed and managed according to capacity of the meeting and whether any other persons have already registered.

The Committee meeting will still be live streamed via the [Council's YouTube channel](#) for ease of viewing.

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	R G Boyce MBE Mrs P A Channer M F L Durham, CC K W Jarvis K M H Lagan N G F Shaughnessy W Stamp, CC Mrs M E Thompson Miss S White





AGENDA STRATEGY AND RESOURCES COMMITTEE

THURSDAY 15 JULY 2021

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

2. **Apologies for Absence**

3. **Minutes - 15 June 2021** (Pages 5 - 20)

To confirm the Minutes of the Strategy and Resources Committee held on Tuesday 15 June 2021 (copy enclosed).

4. **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.)

5. **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](#).

6. **Year-End Treasury Outturn 2020 / 21** (Pages 21 - 32)

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

7. **Provisional Financial Outturn 2020 / 21** (Pages 33 - 44)

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

8. **Mid-Year Growth Bids** (Pages 45 - 56)

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

9. **Supplementary Estimates, Virements and Use of Reserves: 1 October 2020 - 31 May 2021** (Pages 57 - 60)

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

10. **A12 Chelmsford to A120 Widening Scheme - Response to Highways England Public Consultation on 'Preliminary Design'** (Pages 61 - 78)

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

11. **Welcome Back Fund** (Pages 79 - 82)

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

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

13. **Exclusion of the 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 items of business on the grounds that they involve 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.

14. **Advice Service Contract** (Pages 83 - 86)

To consider the report of the Director of Service Delivery (copy enclosed).

15. **Consolidation of Leases and Lease Extension** (Pages 87 - 94)

To consider the report of the Director of Service Delivery (copy enclosed).

16. **Lease Agreement - Park Drive, Maldon** (Pages 95 - 120)

To consider the report of the Director of Service Delivery (copy enclosed).

17. **Land Purchase Option Agreement** (Pages 121 - 126)

To consider the report of the Director of Service Delivery (copy enclosed).

NOTICES

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.

Fire

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

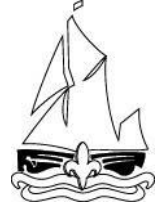
Health and Safety

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Closed-Circuit Televisions (CCTV)

Meetings held in the Council Chamber are being monitored and recorded by CCTV.

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**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
15 JUNE 2021**

PRESENT

Chairman	Councillor R H Siddall
Vice-Chairman	Councillor C Swain
Councillors	Mrs P A Channer, M F L Durham, CC, K W Jarvis, K M H Lagan, N G F Shaughnessy, Mrs M E Thompson and Miss S White
Substitutes	Councillor M R Edwards
In attendance	Councillor C Morris

97. CHAIRMAN'S NOTICES

The Chairman welcomed everyone to the meeting and went through some general housekeeping arrangements for the meeting.

98. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R G Boyce MBE and W Stamp. In accordance with notice duly given Councillor M R Edwards was attending as a substitute for Councillor Stamp.

99. MINUTES - 28 JANUARY 2021

RESOLVED that the Minutes of the Strategy and Resources Committee held on 28 January 2021 be approved and confirmed.

100. DISCLOSURE OF INTEREST

Councillor M F L Durham declared a non-pecuniary interest as a Member of Essex County Council.

101. PUBLIC PARTICIPATION

No requests had been received.

102. ICT STRATEGY 2021 - 2026

The Committee considered the report of the Director of Resources presenting the renewed Maldon District Council Information Communication Technology (ICT) Strategy 2021 – 2026 (attached at Appendix 1 to the report) for approval.

Members were advised that following completion of the 2018 – 2020 Strategy the new Strategy had been written and to support future model and the strategic goals of Maldon District Council.

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

In response to a question the Lead Specialist ICT Infrastructure advised that the three-year recyclable programme for Member laptops was being introduced as part of a rolling cycle. The Officer provided further information and in response to a request for details of the annual cost agreed to circulate this to Members outside of the meeting.

In response to a comment from the Officer that all Members had some form of Council hardware Councillors M F L Durham and Mrs M E Thompson advised that they did not. The Chairman noted this and advised that the Council would supply hardware should they require it.

The Chairman put the proposal, noting that it would be a recommendation to the Council. This was duly agreed.

RECOMMENDED that the Maldon District Council ICT Strategy 2021 – 2026 (attached at **APPENDIX 1** to these Minutes) for distribution to all staff giving support and guidance to Management on future ICT projects and planning be agreed.

103. WORKFORCE AND COMMUNITY, EQUALITY, DIVERSITY AND INCLUSION STATEMENT OF POLICY

The Committee considered the report of the Director of Resources seeking approval of the Equality, Diversity and Inclusion (EDI) Statement of Policy (attached as Appendix 1 to the report). The report set out the purpose of the policy and Members were advised the importance of having an agreed EDI Policy to ensure the Council's legal duties were met, responsibilities were understood and goals on EDI aligned with the Corporate Plan.

The Director of Resources presented the report and highlighted the suggestion that a Member of the Committee be appointed to join the Equality, Diversity and Inclusion Officer Working Group (the Working Group).

The Chairman referred to the excellent policy and proposed the recommendations as set out in the report. These were duly seconded. The Chairman then sought nominations for the Committee's representative on the Working Group.

Councillor Mrs M E Thompson proposed that Councillor Mrs P A Channer be appointed to the Working Group and outlined some of the benefits Councillor Mrs Channer would bring. This proposal was duly seconded.

Councillor C Swain then proposed that Councillor R H Siddall be appointed to the Working Group and outlined the benefits he would bring. This proposal was duly seconded.

In accordance with Procedure Rule No. 13 (3) Councillor Mrs P A Channer requested a recorded vote. This was duly seconded. Councillors Mrs Channer clarified that her request for a recorded vote related to the appointment to the Working Group only.

Upon the assent of the Committee, the Chairman advised that recommendation (i) as set out in the report was agreed.

The Chairman put to the Committee the proposal for Councillor Mrs Channer to be the Committee's representative on the Working Group. In accordance to the request for a recorded vote, the voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, M F L Durham, K W Jarvis, Mrs M E Thompson and Miss S White.

Against the recommendation:

Councillors M R Edwards, K H M Lagan, N G F Shaughnessy, R H Siddall and C Swain.

Abstention:

There were none.

There being an equality of votes the Chairman used his casting vote against the proposal.

The motion was therefore declared lost.

The Chairman then put to the Committee the proposal for himself (Councillor Siddall) to be the Committee's representative on the Working Group. In accordance to the request for a recorded vote, the voting was as follows:

For the recommendation:

Councillors M R Edwards, K H M Lagan, N G F Shaughnessy, R H Siddall and C Swain.

Against the recommendation:

Councillors Mrs P A Channer, M F L Durham, Mrs M E Thompson and Miss S White.

Abstention:

Councillor K W Jarvis.

The motion was therefore agreed.

RESOLVED

- (i) That the new Equality, Diversity and Inclusion Policy, attached at Appendix 1 to the report, be adopted;
- (ii) That Councillor R H Siddall be nominated to join the Equality, Diversity and Inclusion Officer Working Group.

104. STATEMENT OF COMMUNITY INVOLVEMENT

The Committee considered the report of the Director of Strategy, Performance and Governance seeking approval of the Council's Statement of Community Involvement (SCI) (attached at Appendix A to the report). It was noted that the SCI set out how the

Council would consult with the community on planning matters and had been revised and updated.

The report provided detailed information regarding the purpose of the SCI and the changes made to the 2018 SCI. Officers' advised that if the SCI was approved a six week consultation would be undertaken, following which any comments received would inform the final version, reported to Members prior to final adoption by the Council.

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

In response to questions raised, the Strategy, Policy and Communications Manager provided the following information:

- Local Housing Needs Assessment work was ongoing with a need to review information that had been received from the Council's Housing Needs Consultant prior to its consideration by the Planning Policy Working Group and this Committee.
- Although the recent Queen's Speech referenced several proposed changes to the planning system the SCI covered the current responsibilities of the Council as Local Planning Authority.
- Reference to pre-application advice within the SCI would only be triggered if pre-application advice was requested.

The Chairman moved the recommendation which was duly agreed.

RESOLVED that the Statement of Community Involvement (attached at Appendix A to the report) be approved for consultation purposes.

105. DUTY TO CO-OPERATE STRATEGY - APPROVAL TO CONSULT

The Committee considered the report of the Director of Strategy, Performance and Governance seeking Members' approval of a new Duty to Co-Operate (DTC) Strategy (attached at Appendix A to the report) for targeted consultation. It was noted that this would establish a firm foundation for the Local Development Plan (LDP) Review's engagement with other Duty to Co-Operate bodies.

The report provided background information regarding the update to the Council's Local Development Scheme 2021 – 2023 and review brought forward of the LDP. It was noted that the DTC Strategy was a clear, robust and effective approach to define how the Council would manage its legal duty for co-operation with other DTC bodies during the LDP review. Approval to consult with a number of DTC bodies (detailed in the report) was sought and Members were advised that any comments received would be considered, the Strategy updated and brought back for final approval.

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

In the debate that followed and in response to some questions raised the Strategy, Policy and Communication Manager provided the following information:

- The Duty to Co-Operate bodies included all Essex Authorities (as well as the two unitary authorities).
- Local Planning Authorities are required to co-operate with the Mayor of London;

- The Council did not have a DTC with broadband, electric or other utilities companies as these bodies were covered under different legislation, but they may be a statutory consultee as part of the Local Development Plan considerations.

The Chairman moved the recommendations which were duly agreed.

RESOLVED

- That the Draft Duty to Co-Operate Strategy as set out in Appendix A to the report for a targeted consultation with all other Duty to Co-Operate bodies be approved;
- That following consultation, an updated Duty to Co-Operate Strategy be brought back to the Strategy and Resources Committee, with appropriate amendments for final approval.

106. APPOINTMENT OF REPRESENTATIVES ON LIAISON COMMITTEES

The Committee considered the report of the Director of Strategy, Performance and Governance seeking new appointments of representatives for 2021 / 22 to Liaison Committees / Panels, as set out in the report.

The Chairman proposed that the current representations on the Working Groups listed in the report remain unchanged for 2021 / 22. This was duly seconded and agreed.

RESOLVED that the Committee appoints the following representatives to the bodies detailed below, for the ensuing municipal year.

Body	2021 / 22 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
Places for People Liaison Committee	Councillors M F L Durham CC and C Swain
River Crouch Coastal Community Team (Management Team)	Chairmen and Vice-Chairmen of the Performance, Governance & Audit and Strategy & Resources Committee.
Waste Member Task and Finish Working Group (Minute 945 – 27/03/18)	Councillors M F L Durham CC, K M H Lagan, R H Siddall and Miss S White

There being no other items of business the meeting closed at 8.17 pm.

R H SIDDALL
CHAIRMAN

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Maldon District Council High Level ICT Strategy 2021-26

Document Version: 1.1

Written By: Lead ICT Specialist, Grant C Hulley

Reviewed By: Recourses Specialist, Manager Annette Cardy

Next Review Date: 01/10/2026



Introduction	3
Where are we now.....	4
Current Council Systems	5
Infrastructure	5
Hosts	5
Switches.....	5
Firewalls.....	5
Access points	5
Internet.....	5
Disaster Recovery and Testing.....	5
Backup system	5
Projects:.....	6
Hardware	6
Laptops	6
Tablets	6
Docks	6
Screens	6
Keyboard and mice	6
Phones	7
Projects:.....	7
Software.....	7
Office 365 (Inc PowerBI, Forms, Teams, Word and Outlook)	7
Civica.....	7
Uniform	7
TLC	7
ArcGIS	7
Xpress	7
Sage	7
Firmstep.....	8
Freshservice.....	8
Projects:.....	8
Covid 19.....	8
Future Remote working.....	8
Projects	9
2021 and 2022	9
Key roles.....	9
Projects	9
In Parallel	9
2022-2026.....	10
Projects	10



Introduction

The 2018 Maldon District Council (MDC) embarked on a Transformation Programme. A significant part of this relied on the improvement of the ICT infrastructure to support the required changes and cost savings the Council needed to achieve.

Some of the key improvements are listed below:

- The installation and completion of the new infrastructure project, including the replacements of the antiquated firewalls, switches, and networks on site
- Upgraded the internet line to site from 50MBPS over 100MBPS to 1GBPS over 1GBPS with a redundant line in place.
- Upgraded and improved the Wi-Fi coverage on site, including a link to Govroam through our partnership with Thurrock Council.
- Replaced all the desktops on site with laptops and completed the phase three roll out to staff.
- All computers are now image built onsite – which means the process of setting up new devices for staff takes around 10 minutes rather than 3 hours of resource and build time.
- The new Mitel softphone solution is near completion, which replaces the old Alcatel phone system.
- There are new efficiencies within the ICT teams and the way staff use technology and software to complete their work. The team has reduced from 14 ICT staff within Specialist ICT alone to five ICT staff over Specialist and 4 within the Caseworker ICT team, this shows a staff saving for the council whilst still achieving the same working level.
- We have installed upgrades to all our software on site. Civicare, Uniform, TLC, Xpress, Sage and Office 365 are all on the latest builds as of October 2020 and are now hosted on our virtual infrastructure.
- We have released a new website with a new design and layout, integrating with firmstep and as a final step to the transformation project the council upgraded its front office to back office communication helping the public communicate with the correct department using digital communication.
- The release of Microsoft Teams to all staff, facilitated by one-to-one and small group training sessions has enabled better internal communication and collaborative working between departments.

Following the above successes within ICT, this document will now seek to outline the following five year period 2021 to 2026 and the steps needed to realise the councils Corporate Plan of Performance and Efficiency by leading in the community through the use of technology and continuing to achieve our excellent services with value for money. This document will include upgrade paths and costs to achieve a flexible workforce able to deliver collaboratively on its objectives to the public and its stakeholders. It will also provide digital solutions to service delivery for faster, easier and more flexible access for residents with value for money.



Where are we now

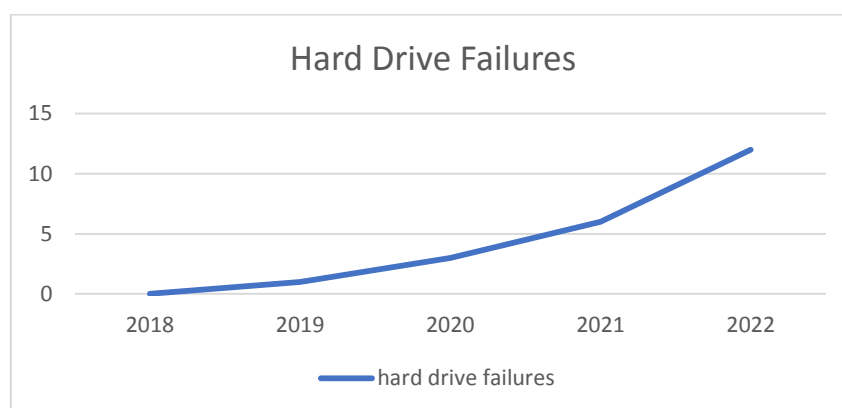
The use of technology is at the centre of MDC's service delivery assisting staff and the public. This can be seen in the day to day running within the council and its District. This will be outlined in each of the areas below. At a high-level overview MDC is benefiting from the new IT infrastructure, which was fully replaced and upgraded to the latest technology in July 2019.

The council has seen more rapid implementation times when making network changes, for example the work completed for the Always On VPN. There is also greater cyber security in terms of access prevention, due to the new firewalls and segregated layer 3 network as well as training and set up of the internal network for officers. Microsoft Teams has also allowed for better communication both on and off site which has been invaluable during the Covid-19 pandemic and has allowed for data and document sharing as well as facilitating the virtual committee meetings efficiently and securely. Finally, the move from desktops to laptops has seen the entire council move to the use of mobile devices, this allows for a more flexible work approach and has facilitated the councils aims of agile working and was key in enabling the Council to move quickly to remote working when the pandemic hit.

Following the successes of the transformation project It is now imperative that we maintain our lead on technology by continual improvement and upgrades. As a council we should have a commitment to making sure our offices hardware (such as laptops) stay up to date, as the older a laptop gets the slower, they will become. Best practice would mean that no device should be more than three years old. A renewal program is being prepared based on this document.

Whilst we have worked to improve the officer's IT equipment over the last 3 years and are now looking to continue that improvement, the data centre urgently requires upgrading. There are 10 hosts in total, all of which are now four or more years old and urgently need replacing as there are risks with hardware failing. This can be seen in the below predicted hard drive failure rate.

We have seen one hard drive fail in 2019 and three in 2020, following this curve we will potentially have up to six additional hard drive failures in 2021. Whilst we do have backups in place, we will hit critical system issues by 2022 unless we start a replacement program for the datacentre.



As hosts start to fail, the council will start to see slower data access alongside more space and resource restrictions.

Outside of hardware, the council would also benefit greatly from a reduction in the amount of software, which is being used across all departments. In order to amalgamate the current software to use fewer software programs, and improve efficiencies, research needs to start now to source a



package capable of running all of MDC's deliverables yet is sustainable with the current on-site resources. One such example would be Dynamics 365.

Whilst we are leading in the field of hardware, our software still requires some work to show the overall efficiencies required by the council.

Current Council Systems

Below is a more detailed view of the current council systems. This has been broken down into Infrastructure (the internal hardware and systems of the council such as the network and datacentre), Hardware (such as Officer laptops and screens, used daily by staff to work), Software (applications used by offices to run the council) and then ICT business as usual (BAU) and project works which are currently actively being worked on.

Infrastructure

Hosts

MDC have 10, fit for purpose but nearing end of life Hosts. Each host runs several servers which in turn power the software for the council. Whilst these are being maintained they should be replaced as soon as possible. The current hosts are Generation 8 despite Generation 11 now being available, it is standard practice to upgrade hosts every three to four years based on age and performance.

Switches

MDC Switches are less than 12-month old Aruba HPE switches. In total there are eight, 48 port switches used to run the network at the MDC offices, these are all in warranty and should run for a minimum of another three years before a replacement is needed.

Firewalls

The firewalls are Palo Alto firewalls, this is one of the best brands in the world for firewall systems and are also brand new and in warranty. We have two firewalls split over a virtual pair for redundancy; these firewalls can be kept in place for up to six years without the need for replacement.

Access points

Again, based on Aruba HPE, the access points were installed in July 2019. There are 56 access points on site, all in warranty. We can expect these to last up to six years.

Internet

Following the recommendation of the 2018 ICT strategy the council now has a 1GBPS line into the building, this is a dedicated fibre line with resilience. The council is utilising around 750MBPS on average giving a lot of room for additional system usage.

Disaster Recovery and Testing

Not included in the 2018 ICT strategy, MDC have a testing environment which can be used within the current datacentre however this is not fit for purpose and is low on resource, with the upgrade of the hosts suggested above it would be advised that the old host system would be used to build a purpose built testing and DR system in the park offices. This would give us the option of an instant back up to the park offices in the event of a system failure at MDC offices.

Backup system

At this moment the backup system is based on 5 tape drives which have to be switched manually each day by a member of the ICT team. Going forward, it is proposed that the tape drives are removed, and we utilise the full capacity of our Veeam backup solution for offsite backups. This



would allow for faster restoration and safer data storage going forward. It would also remove the need for an officer to travel to site each day.

Projects:

- Upgrade the HPE fibre switches
- Upgrade the data centre hosts
- Set up the disaster recovery and testing in parks
- Move the entire data centre off site
- The data centre needs to be cleaned up – removing redundant equipment
- The backup tapes need to be removed completely
- Veeam Upgrade and setup for remote Backup solution
- The last 4 physical servers need to be virtualised
- Monitoring and logging needs to be sorted out for all the above
- Upgrade network to better support home working

Hardware

Laptops

Due to the transformation program, council laptops for officers and members are now under a year old and in full warranty, the laptops are set to standard office specification containing 8GB RAM and a modern gen7 or 8 CPU. The laptops themselves are Dell branded and of a robust design. The council have three sizes of laptops, the default being a 15inch model but there are 13inch and 14inch models available as well.

Tablets

Council Tablets are available for officers and members and are now coming up to three years in age. The council have two brands of tablet, iPad and Samsung Galaxy Tab A. These are on a three year renewal cycle based on warranty.

Docks

Due to the thunderbolt port on the council laptops a dock can be used to connect two monitors and expand the laptop with two additional UBS ports and a sound card. The docks were setup at each desk during the transformation to enable hot desking. Any officer could use their laptop at any desk by simply plugging in a single cable.

Screens

The council has one monitor available per officer in addition to their laptop screen giving all staff two screens to work from. For users who are considered advanced ICT users (also know as power users – i.e. the entire ICT Team) there is the option of a second monitor at their desk allowing for three monitors in total. The monitors are 22inch across and work on DVI and HDMI for active digital connections to either the laptops or docks. The monitors also have adjustable risers allowing officers to set the monitor to a preferred high for better posture.

Keyboard and mice

Keyboards and mice are bought on a per need basis. MDC currently uses a mix of HP and Dell keyboards and mice. The council keeps around 20 sets in storage and some of the current sets are nearly due for renewal.



Phones

The council has now moved to a softphone solution based of Micollab which is installed on the officers Laptop and runs on the built-in mic and speaker system of the laptop. Each officer is also provided with a headset which can be used if needed with the laptop.

In order to maintain the stock of IT kit the following projects are being completed along with a 5-year cycle IT renewal programme

Projects:

- Laptop Refresh program of renewal on a three-year cycle.
- Tablet refresh program of renewal on a three-year cycle.
- Members hardware Refresh program.
- Softphone upgrade to MS Team's integration to Mitel.
- Headset stock increase.
- Keyboard and Mouse stock check.

Software

Office 365 (Inc PowerBI, Forms, Teams, Word and Outlook)

Used as our primary software in all day to day tasks the council is now fully integrated with office 365 and its business applications. Officers continue to use Word, PowerPoint, Excel and Outlook for all their day to day activities, however users have now started to work with additional software such as Forms and PowerBI helping them to improve and optimise their work and outputs. ICT have also started to work with Power Automation and Power Apps to build custom dynamic content for the council, again helping to achieve efficiencies. ICT continue to lead this through training, self-learning and testing of these new systems prior to staff taking them on board. This helps to enable a dynamic work force.

Civica

Civica was recently upgraded to the latest available version with the server Civica was stored on, upgraded at the same time, to Server 2012. This is the latest server version available. Civica is used to administer tax collection and public facing amenities, the software is a central point for viewing and updating this information.

Uniform

Uniform has been used by MDC to digitise its paper-based documentation for all public front office activities, this is a file management software used within the council.

TLC

Land Charges data, results and info required are stored. Anyone in the TLC group can check the status (search in progress, awaiting acceptance etc.). Notes if responses have been sent, if they're over their expected time.

ArcGIS

Used to run our mapping and planning departments, ArcGIS integrates with our website to allow the planning portal to show mapping data.

Xpress

Is used to run the Districts electoral register, whilst the software is old it has a tried and tested track record in running the electoral requirements.

Sage

Used for the internal accounts for MDC, Sage stores and runs the accounts for MDC.



Firmstep

Firmstep is a front to back office ticketing tool, used by MDC to link our front office contact with the public to our back-office officers for triage and completion. An example of this is the FOI system which integrates with the MDC website and sends completed FOI's to the appropriate department.

This is still under development with forms going live each month.

Freshservice

Is used for ticketing and triage of support requests across the council. All members, staff and officers can raise a ticket which is sent to the correct department to be dealt with, this has provided for greatly increased time efficiencies in resolving issues around the council.

The work requirements to maintain and improve the above software are listed below:

Projects:

- Twice a year upgrade programme for each piece of software.
- Amalgamate the software by removing redundant software.
- Program of introducing new software which will improve council efficiencies such as power apps and MS Forms.
- Dynamics 365 test and project kick off.

Covid 19

With the Covid 19 pandemic effecting business globally, and Government guidance for employers to ensure staff worked from home where possible, MDC had to work flexibly with officers to quickly move from working within the office buildings to remote off site working. For the majority of staff this was achieved within a few days and for all staff who are desk based within 10 days.

This was due to the time and effort of the ICT teams, the pro-active work of managers and staff and the investment that had been made to the infrastructure of the council. This put us ahead of many other Council's in the country. Focus is now on improving remote working. The Always ON VPN setup by ICT requires continue maintenance and monitoring and has now become key to the systems and functionality of the council and its staff.

The planned projects around the Always ON VPN are to move from the current split tunnelling setup into a more secure. faster forced tunnelling structure however due to the pandemic and the limitation of out of hours work progression is slow this is where projects such as the infrastructure DR and testing solution would come into play.

The Pandemic has also brought further requirements around the future of how business and the council will function to provide flexible options for working. For this we have devised the below project list in conjunction with the Always ON VPN to deliver improvements.

Future Remote working

Due to the new way of working ICT are producing a list of projects-to help towards this new flexible working solution, this includes supporting officers with home internet connections or through the use of 4G dongles for the officer laptops.



Further development is then needed to give greater control of the now off-site hardware such as laptops through the implementation of MS Intune and an update which was needed to the council's hardware warranty as devices were originally designed not to leave the offices.

ICT are also now increasing stock for onsite hardware so that staff can work from the offices when needed, from specified desks.

Projects to maintain and improve flexible working for future service delivery are below.

Projects

- Stability of Always ON VPN
- 4G connection from laptops
- DR and Testing host setup
- Development of MS InTune

2021 and 2022

ICT have three key roles:

Key roles

1. Continued support of current systems and staff
2. Project preparation for future changes to the system
3. The ICT department has an annual recurring budget of £534,300.00 for the projects and future projects proposed in this document, meaning that all current project works listed here are fully funded.

As a priority 4 main projects are to be completed for current systems in 2020 and 2021 as below.

Projects

- New softphone system
- SharePoint
- Host Datacentre upgrade

In Parallel

ICT will provide ongoing training and support to staff and Members to utilise the new hardware and software available and continue to provide the following.

- Continual software upgrades and improvements
- Hardware renewal program
- Laptop Refresh program of renewal
- Monitoring and logging
- Upgrade network to better support home working



2022-2026

Over the following four years there should be a clearer path to the future ways of working for MDC. The addition of Dynamics as a central point for all software and separately to this the migration of our datacentre into an offsite shared location will assist in enabling greater flexible working and cost savings

The planned project work will be:

Projects

- Set up the disaster recovery and testing in parks
- Move the entire data centre off site
- The backup tapes to be removed completely
- Veeam Upgrade and setup for remote Backup solution
- The last 4 physical servers need to be virtualised
- Softphone upgrade to MS Team's integration to Mitel.
- Headset stock increase
- Keyboard and Mouse stock check
- Twice a year upgrade programme for each piece of software.
- Amalgamate the software by removing redundant software.
- Program of introducing new software which will improve council efficiencies such as power apps and MS Forms.
- Dynamics 365 test and project kick off.
- Stability of Always ON VPN
- DR and Testing host setup
- Development of MS InTune



REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2020**

YEAR-END TREASURY OUTTURN 2020 / 21

1. PURPOSE OF THE REPORT

- 1.1 To report on the Council's investment activity for the financial year of 2021 / 21 in accordance with the Chartered Institute of Public Finance and Accountancy Treasury Management Code (CIPFA's TM Code) and the Council's Treasury Management Policy and Treasury Management Practices (TMPs).

2. RECOMMENDATION

That Members review the Treasury Outturn report for compliance purposes.

3. SUMMARY OF KEY ISSUES

3.1 Background

- 3.1.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end).
- 3.1.2 The Council's Treasury Management Strategy for 2020 / 21 was presented to the Strategy and Resources Committee on 28 January 2021 and subsequently approved by the Council on 23 February 2021.
- 3.1.3 During 2020 / 21, the Council had an average of £21.7m invested and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.
- 3.1.4 The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by the Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by the Council on 23 February 2020.

3.2 External Context

- 3.2.1 The Council currently engages Arlingclose to provide treasury management consultancy and advice services. Attached at **APPENDIX 1** is information prepared by Arlingclose providing an overview of the external economic environment.

3.3 Local context

- 3.3.1 The Council is currently debt free and its capital expenditure did not include borrowing during 2020 / 21. However, as investment becomes necessary for Commercial Projects, additional funds will be required, and borrowing may then be needed. Investments are forecast to fall, as capital receipts are used to finance capital expenditure and reserves are used to finance any revenue budget gaps.
- 3.3.2 If the Council does choose to borrow in the future, it is worth noting that Chancellor's March 2020 Budget Statement included changes to Public Works Loan Board (PWLB) policy and a wide-ranging consultation on the PWLB's future direction.
- 3.3.3 The consultation titled "Future Lending Terms", which closed in July 2020, invited local authorities and key stakeholders to contribute to developing a system whereby PWLB loans can be made available at improved margins to support qualifying projects. Proposals include:
- (i) allowing authorities that are not involved in "debt for yield" activity to borrow at lower rates,
 - (ii) stopping local authorities using PWLB loans to buy commercial assets primarily for yield without impeding their ability to pursue their core policy objectives of service delivery, housing and regeneration, and
 - (iii) the possibility of slowing, or stopping, individual authorities from borrowing large sums in specific circumstances.
- 3.3.4 The outcome of the consultation and implementation of the new lending terms are expected during this financial year 2021 / 22.

3.4 Investment Activity (April 2020 – March 2021)

- 3.4.1 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults, and the risk of receiving unsuitably low investment returns.
- 3.4.2 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Over the period from April 2020 to March 2021, the level of investments held by the Council has seen an increase of £1,802,000 with a total of investments held on 31 March 2021 of £20,819,000.
- 3.4.3 These are comprised of:

	Balance on 31/03/2020 £000	Movement £000	Balance on 31/03/2021 £000
Short term Investments			
Banks and Building societies	3,017	-198	2,819
Money Market Funds	5,000	-2,000	3,000
Certificates of	2,000	-2,000	0

	Balance on 31/03/2020 £000	Movement £000	Balance on 31/03/2021 £000
Deposit			
Local Authorities	4,000	6,000	10,000
Long Term Investments	5,000	0	5,000*
TOTAL	19,017	1,802	20,819

*The 31/3/2021 Balance Sheet figure for long-term investments is recorded at fair value, £4,776.

- 3.4.4 Over a relatively short period, following the onset of the COVID-19 pandemic, the global economic fallout was sharp and large. Market reaction was extreme with large falls in equities, corporate bond markets and, to some extent, real estate. This reaction was a result of the lockdown-induced paralysis and the uncharted challenges for governments, businesses and individuals. The Council has £3m invested in the CCLA (Churches, Charities and Local Authorities) Local Authorities Property Fund and £2m in the Ninety One (previously Investec) Diversified Income Fund, which is a multi-asset fund. The falls in the capital values of the underlying assets were reflected in 31 March 2020 valuations of both funds.
- 3.4.5 The Council is using the alternative Fair Value through Profit and Loss (FVPL) accounting and must defer the funds' fair value gains and losses to the Financial Instruments Adjustment Account (which is an unusable reserve until 2023 / 24) and reflected in the movement in reserves statement.
- 3.4.6 The Council's £5m of externally managed pooled and property funds generated a total income return of £199,000 during 2020 / 21. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates. In the light of their performance over the medium/long-term and the Council's latest cash flow forecasts, investment in these funds has been maintained.
- 3.4.7 Coronavirus:
- 3.4.7.1 During March 2020 the UK Government imposed a lockdown on all public gatherings and unnecessary outside activity. Lockdowns and Government imposed restrictions of various kinds continued throughout 2020 / 21. The resulting reduction in income to the Council, businesses and other organisations, led to the Government issuing grant payments for Maldon District Council (MDC) to distribute in support of these organisations.
- 3.4.7.2 For example, £17.8m of grants were received by MDC on 1 April 2020 for distribution to qualifying businesses from 1 April 2020. These funds were stored with DMO and transferred to businesses throughout the following few months. Various other grants followed for distribution of financial assistance to businesses, residents, and the Council itself to mitigate financial hardship encountered due to Government restrictions.

3.5 Performance – Budgeted Income and Outturn

3.5.1 Below are the average income returns obtained on the Authority's investments:

- Short Term investments - 0.23%;
- Investments in the Ninety One (previously Investec) Diversified Income fund – 3.63%;
- Investment in the Property Fund – 4.20%;
- All investments – 1.09%.

3.5.2 The Authority's budgeted investment income for the year was £242,900. The actual investment income for the year was £236,700. This shortfall was due to the reduction in interest rates suffered at the beginning of the pandemic and continuing throughout the financial year.

3.6 Compliance with Prudential Indicators and Treasury Management Strategy

3.6.1 The Prudential Indicators for 2020 / 21, which were set on 23 February 2021 as part of the Treasury Management Strategy Statement, have been complied with. These are shown at **APPENDIX 2**.

3.6.2 The Section 151 Officer reports that all treasury management activities undertaken during the financial year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy.

3.7 Outlook for 2021 / 22 (Summary of advice from Arlingclose.)

3.7.1 The global economy is slowly emerging from a period of sharp recession in response to the global pandemic. As such, global and UK base interest rates have remained very low (UK continuing at to 0.1% throughout 2020 / 21) and short-term investments have been significantly affected.

3.7.2 The path to economic recovery is very difficult to determine but an increase in interest rates is considered very unlikely over the coming financial year. In fact, we cannot rule out further interest rate reductions, although this is looking less likely also.

3.7.3 Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

3.7.4 Arlingclose also expects gilt yields to remain at low levels for the foreseeable future and judge the risks to be weighted to the downside and that volatility will continue to offer longer-term borrowing opportunities.

3.7.5 The two funds managed externally by CCLA and Ninety One also expect that income distribution will be likely to improve in 2021/22 when compared to 2020 / 21 but still lower than 2019 / 20 and before.

4. CONCLUSION

4.1 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary of the treasury management activity for the financial year of 2020 / 21. As indicated in this report, none of the Prudential

Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The report links to the Maldon District Council's Strategic Theme of best value procurement.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – This report is mainly about managing credit risk. A prudent approach continues to be taken in relation to investment activity with priority being given to security and liquidity over yield.
- (iv) **Impact on Resources (financial)** – Income fell short of the Council's budgeted figure (£282,900) by £50,000 in 2020 / 21.
- (v) **Impact on Resources (human)** - None directly.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to: Lance Porteous, Lead Finance Specialist.

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External Context

Economic background: The coronavirus pandemic dominated 2020/21, leading to almost the entire planet being in some form of lockdown during the year. The start of the financial year saw many central banks cutting interest rates as lockdowns caused economic activity to grind to a halt. The Bank of England cut Bank Rate to 0.1% and the UK government provided a range of fiscal stimulus measures, the size of which has not been seen in peacetime.

Some good news came in December 2020 as two COVID-19 vaccines were given approval by the UK Medicines and Healthcare products Regulatory Agency (MHRA). The UK vaccine rollout started in earnest; over 31 million people had received their first dose by 31st March.

A Brexit trade deal was agreed with only days to spare before the 11pm 31st December 2020 deadline having been agreed with the European Union on Christmas Eve.

The Bank of England (BoE) held Bank Rate at 0.1% throughout the year but extended its Quantitative Easing programme by £150 billion to £895 billion at its November 2020 meeting. In its March 2021 interest rate announcement, the BoE noted that while GDP would remain low in the near-term due to COVID-19 lockdown restrictions, the easing of these measures means growth is expected to recover strongly later in the year. Inflation is forecast to increase in the near-term and while the economic outlook has improved there are downside risks to the forecast, including from unemployment which is still predicted to rise when the furlough scheme is eventually withdrawn.

Government initiatives supported the economy and the Chancellor announced in the 2021 Budget a further extension to the furlough (Coronavirus Job Retention) scheme until September 2021. Access to support grants was also widened, enabling more self-employed people to be eligible for government help. Since March 2020, the government schemes have helped protect more than 11 million jobs.

Despite the furlough scheme, unemployment still rose. Labour market data showed that in the three months to January 2021 the unemployment rate was 5.0%, in contrast to 3.9% recorded for the same period 12 months ago. Wages rose 4.8% for total pay in nominal terms (4.2% for regular pay) and was up 3.9% in real terms (3.4% for regular pay). Unemployment is still expected to increase once the various government job support schemes come to an end.

Inflation has remained low over the 12 month period. Latest figures showed the annual headline rate of UK Consumer Price Inflation (CPI) fell to 0.4% year/year in February, below expectations (0.8%) and still well below the Bank of England's 2% target. The ONS' preferred measure of CPIH which includes owner-occupied housing was 0.7% year/year (1.0% expected).

After contracting sharply in Q2 (Apr-Jun) 2020 by 19.8% q/q, growth in Q3 and Q4 bounced back by 15.5% and 1.3% respectively. The easing of some lockdown measures in the last quarter of the calendar year enabled construction output to continue, albeit at a much slower pace than the 41.7% rise in the prior quarter. When released, figures for Q1 (Jan-Mar) 2021 are expected to show a decline given the national lockdown.

After collapsing at an annualised rate of 31.4% in Q2, the US economy rebounded by 33.4% in Q3 and then a further 4.1% in Q4. The US recovery has been fuelled by three major pandemic relief stimulus packages totalling over \$5 trillion. The Federal Reserve cut its main interest rate to between 0% and 0.25% in March 2020 in response to the pandemic and it has remained at the same level since. Joe Biden became the 46th US president after defeating Donald Trump.

The European Central Bank maintained its base rate at 0% and deposit rate at -0.5% but in December 2020 increased the size of its asset purchase scheme to €1.85 trillion and extended it until March 2022.

Financial markets: Monetary and fiscal stimulus helped provide support for equity markets which rose over the period, with the Dow Jones beating its pre-crisis peak on the back of outperformance by a small number of technology stocks. The FTSE indices performed reasonably well during the period April to November, before being buoyed in December by both the vaccine approval and Brexit deal, which helped give a boost to both the more internationally focused FTSE 100 and the more UK-focused FTSE 250, however they remain lower than their pre-pandemic levels.

Ultra-low interest rates prevailed throughout most of the period, with yields generally falling between April and December 2020. From early in 2021 the improved economic outlook due to the new various stimulus packages (particularly in the US), together with the approval and successful rollout of vaccines, caused government bonds to sell off sharply on the back of expected higher inflation and increased uncertainty, pushing yields higher more quickly than had been anticipated.

The 5-year UK benchmark gilt yield began the financial year at 0.18% before declining to -0.03% at the end of 2020 and then rising strongly to 0.39% by the end of the financial year. Over the same period the 10-year gilt yield fell from 0.31% to 0.19% before rising to 0.84%. The 20-year declined slightly from 0.70% to 0.68% before increasing to 1.36%.

1-month, 3-month and 12-month SONIA bid rates averaged 0.01%, 0.10% and 0.23% respectively over the financial year.

The yield on 2-year US treasuries was 0.16% at the end of the period, up from 0.12% at the beginning of January but down from 0.21% at the start of the financial year. For 10-year treasuries the end of period yield was 1.75%, up from both the beginning of 2021 (0.91%) and the start of the financial year (0.58%).

German bund yields continue to remain negative across most maturities.

Credit review: After spiking in March 2020, credit default swap spreads declined over the remaining period of the year to broadly pre-pandemic levels. The gap in spreads between UK ringfenced and non-ringfenced entities remained, albeit Santander UK is still an outlier compared to the other ringfenced/retail banks. At the end of the period Santander UK was trading the highest at 57bps and Standard Chartered the lowest at 32bps. The other ringfenced banks were trading around 33 and 34bps while Nationwide Building Society was 43bps.

Credit rating actions to the period ending September 2020 have been covered in previous outturn reports. Subsequent credit developments include Moody's downgrading the UK sovereign rating to Aa3 with a stable outlook which then impacted a number of other UK institutions, banks and local government. In the last quarter of the financial year S&P upgraded Clydesdale Bank to A- and revised Barclay's outlook to stable (from negative) while Moody's downgraded HSBC's Baseline Credit Assessment to baa3 whilst affirming the long-term rating at A1.

The vaccine approval and subsequent rollout programme are both credit positive for the financial services sector in general, but there remains much uncertainty around the extent of the losses banks and building societies will suffer due to the economic slowdown which has resulted due to pandemic-related lockdowns and restrictions. The institutions and durations on the Authority's counterparty list recommended by treasury management advisors Arlingclose remain under

constant review, but at the end of the period no changes had been made to the names on the list or the recommended maximum duration of 35 days.

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ANNUAL TREASURY MANAGEMENT UPDATE 2020 / 21

Compliance with Prudential Indicators

(a) Estimates of Capital Expenditure

The Council's planned capital expenditure and financing may be summarised as follows:

Capital Expenditure and Financing	2020 / 21 Actual £000	2021 / 22 Estimate £000	2022 / 23 Estimate £000	2023 / 24 Estimate £000
Total Expenditure	453	713	877	489
Capital Receipts	281	293	457	69
Government Grants	172	420	420	420
Contributions	0	0	0	0
Total Financing	453	713	877	489
Supported borrowing	0	0	0	0
Unsupported borrowing	0	0	0	0
Total Funding	0	0	0	0
Total Financing and Funding	453	713	877	489

The table above shows that the capital expenditure plans of the council can be funded entirely from sources other than external borrowing.

(b) Operational Boundary for External Debt and Authorised Limit for External Debt

The Council is currently debt free and currently has had no need to borrow.

(c) Incremental Impact of Capital Investment Decisions

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	2020/21 Estimate £	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £
Increase in Band D Council Tax	0	0	0	0

The impact on Band D Council Tax highlighted above is NIL as the capital Programme is fully financed by Capital Receipts and Government Grants.

(d) 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 rating] or [credit score] of its investment portfolio. This is calculated by applying a score to each investment (AAA = 1, AA+ = 2, AA = 3, AA- = 4, A+ = 5, A = 6, etc.) and taking the arithmetic average, weighted by the size of each investment. The below table shows Maldon District Council (MDC) is exceeding its target credit score.

	Target	Actual
Portfolio average credit score	6.0	4.75

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 3-month period, without additional borrowing.

	Target	Actual
Total cash available within 3 months	£3.0m	£12.1m



REPORT of DIRECTOR OF RESOURCES

to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2021

PROVISIONAL FINANCIAL OUTTURN 2020 / 21

1. PURPOSE OF THE REPORT

- 1.1 To provide Members of the Committee the provisional Outturn position for the year ended 31 March 2021.
- 1.2 To inform Members of movements in relation to the Council's General Fund, Earmarked Reserves and Capital Commitments as at 31 March 2021.

2. RECOMMENDATIONS

- (i) That the provisional outturn position for the 2020 / 21 financial year be noted;
- (ii) That the movement in Earmarked Reserves in **APPENDIX 2** be approved;
- (iii) That Revenue Commitments in **APPENDIX 3** be approved to be brought forward to 2021 / 22;
- (iv) That the Capital Commitment roll forwards into 2021 / 22 be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Outturn report provides financial results for Council for the year ending 31 March 2021. It shows performance against the original budget agreed by the Council on 13 February 2020 and is used for management purposes. The annual statement of accounts is prepared for statutory reporting purposes.
- 3.2 The draft statement of accounts was published 22 June 2021 and the audit of these financial statements is due to conclude in September. As such the figures in the Outturn report are subject to change and therefore provisional.
- 3.3 **Provisional Outturn**
 - 3.3.1 The table overleaf is an overview of the provisional outturn position for the whole Council. It shows that services ended up underspending by £1.2m and other comprehensive income and expenditure turned out close to budget leaving the total outturn variance still at a £1.2m underspend.

Table 1 – Provision Outturn

	Budget £000	Actuals £000	Variance £000
Net Cost of Services	9,944	8,742	-1,202
Investment Income	-283	-233	50
Pension Deficit Funding	1,556	1,556	0
Pension Adjustment	622	553	-69
Statutory Adjustments	-2,292	-2,307	-15
Other Grants	-777	-774	3
Council Tax (CTAX)	-5,078	-5,078	0
National Non-Domestic Rates (NNDR)	-2,393	-2,393	0
Collection Fund Adjustment	-36	-36	0
New Homes Bonus (NHB)	-897	-897	0
Total	366	-867	-1,233
Movement in Earmarked Reserves	504	548	44
Transfer to / (from) General Fund	-872	319	1,191

3.3.2 The above variances include Covid-19 and other budget variances. The following two tables itemise these.

Table 2 – Covid Pressures

Pressure	£000
Additional Expenditure*	720
Reduction in Income*	2,153
Reduction in Council TAX and NNDR Income	200
Income Compensation Grant	-1,427
Government COVID Grant	-898
Leisure Recovery Fund Grant	-121
Net COVID Pressures	627

* These are described in more detail at **APPENDIX 1**.

Table 3 – All Variances

Items	£000
Pension Adjustment Overbudgeted	-505
Prior Year Accounting Adjustment	-269
Salaries	-227
Release of Commitments from Reserves	-185
Housing Benefit Overpayments	-165
Recycling Credits	-120
IT Software	-94
Office Expenses and Running Costs	-67

Items	£000
Overprovision of Audit Fees	-49
Election costs relating to canvassing	-38
Charge for Services	-29
COVID Pressures	627
Other variances under £15,000	-70
Underspend	-1,191

3.4 Variances Analysis

3.4.1 The pension adjustment relates to over budgeting where the accounting treatment requires that the amount be recognised in the income and expenditure statement but then it should be reversed out in compliance with International Accounting Standard 19 so there is no impact on the General Fund. The reversal was not included in the budget. The 2021 / 22 budget has correctly included the reversal.

3.4.2 While preparing the 2020 / 21 accounts an over provision of £269,000 from a prior year has been identified relating to the pension fund adjustment. Final confirmation of this is still subject to audit.

3.4.3 The salaries underspend was due to periodic vacancies across the three directorates and broken down as follows:

- Service Delivery £143,800
- Resources..... £55,200
- Strategy, Performance and Governance £28,500

3.4.4 Year End revenue commitments carried forward to future years were £185,000 less at the end of 2020 / 21 than at the end of 2019 / 20.

3.4.5 There is a deficit between what the Council pays out in Housing Benefit and what the Central Government Subsidy covers of this due to claimant error overpayments, which the Council budgets for. However, most of this is recovered by billing claimants directly, causing the underspend.

3.4.6 More tonnage of recycling was collected by Maldon District Council (MDC) during 2020 / 21 which led to receiving higher recycling credits.

3.4.7 IT software licensing and maintenance underspent as more was spent on purchase of new software to support remote working during 2020 / 21. This will translate back into licensing and maintenance from 2021 / 22 onwards.

3.4.8 As Council Offices were largely empty during 2020 / 21, utility, maintenance and other running costs were reduced.

3.5 Table 4 – General Fund Balance

	£000
Opening General Fund Balance	5,481
Budgeted Use of Reserve	(872)
Variance	1,191
Closing General Fund Balance	5,800

- 3.5.1 This table shows that the general fund balance would remain above the minimum recommended level of £2.6m. A minimum level of reserve is set to ensure the Council has the financial resilience to respond to emergencies and unforeseen events such as the current pandemic. However, if it did fall below the minimum level it would need to be replenished in future years.

3.6 Earmarked Reserves

- 3.6.1 **APPENDIX 2** provides a breakdown of the Earmarked Reserves. Earmarked Reserves balances as at 31 March 2021 are £4.6m. This is a net increase of £0.5m from 1 April 2020. Increases include a £646,000 contribution from the New Homes Bonus Scheme, £406,000 of revenue commitments carried forward to spend in 2020 / 21 (detailed at **APPENDIX 3**), £200,000 to contribute towards low Council Tax and Business Rates collection during the pandemic and £127,000 towards Strategic Priorities following the halt to the Bradwell B project. Drawdowns during 2020 / 21 include £591,000 to cover revenue commitments as at 31 March 2020, £116,000 to help pay for the triennial contribution to Essex Pensions and £96,000 towards local development plan costs.

3.7 Capital Commitments

- 3.7.1 The Council's approved capital programme was £1.1m in 2020 / 21. This includes the prior year programme roll forwards, and supplementary estimates. During the year £453,000 was spent, leaving a Capital underspend of £647,000. This is mainly due to the inability to access people's homes during the pandemic to carry out disabled facility capital works. Other underspends are captured in paragraph 3.7.2.
- 3.7.2 As at 31 March 2021, a number of capital projects were still on-going and the following budget amounts, totalling £169,000, are requested to be carried over into 2021 / 22:

Table 5 – Capital Commitments

Capital Project	Description	Budget 2020 / 21 £	2020 / 21 Expenditure £	2020 / 21 Balance £	Carry forward £
PWC	Supplier not able to deliver until May 2021	17,000	1,583	15,417	15,417
Accessible Playsite	Unsuccessful tender process, new tender in 2021 / 22 financial year.	48,000	0	48,000	48,000
Splash Park	Splash Park not opened 2020 due to Covid restrictions	30,000	0	30,000	30,000
Blackwater Leisure Centre (LC) Air Handling Unit	Leisure Centre not open 2020 due to Covid restrictions, works still to be undertaken	24,500	0	24,500	24,500
Cemetery Toilets	Order placed, off-site build in progress, delivery due May 2021	25,000	0	25,000	25,000
Riverside Park (Multi-Use Games Area (MUGA))	Riverside Park (MUGA)	26,000	0	26,000	26,000
Total		170,500	1,583	168,947	168,947

4. CONCLUSIONS

- 4.1 Actual net expenditure for 2020 / 21 was below budget. This position will support the Medium-Term Financial Strategy (MTFS) positively.
- 4.2 A number of capital projects have been completed in year, however, some projects were unable to be completed by 31 March 2021 and budgets have therefore been committed at year end accordingly.
- 4.3 The advent of the Coronavirus Pandemic has had a direct impact on the Council's ability to operate within its budget. It has resulted in huge income shortfalls and large overspends. However, Government grants have mitigated these, as well as other underspends, meaning a surplus can be credited to the General Fund at the end of 2020 / 21.
- 4.4 Nevertheless, the restrictions due to the coronavirus pandemic are still ongoing to an extent, which is still costing the Council money in terms of additional costs and lost income in areas such as leisure services, attractions & events, building & development control, elections, communication and democratic services. This requires vigilant budgetary control going forward.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the corporate core values of being open and transparent, and accountable for our actions.

6. IMPLICATIONS

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

Background Papers: None.

Enquiries to: Lance Porteous, Lead Finance Specialist.

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Covid Pressures

Income

Service	Issue	Income Budget	Income Actual	Underachievement	Grant Claimed	Variance
		£000	£000	£000	£000	£000
Leisure Services	long closure periods due to Government restrictions	-629	53	682	-478	204
Maldon Town Centre Car Parks	very low volumes due to public being urged to stay at home	-900	-453	447	-302	146
Development Control	very low volumes during first lockdown	-704	-382	322	-215	107
Maldon Promenade	various attractions unable to open due to Government restrictions	-393	-176	217	-148	69
Investment Income	lower interest rates	-283	-233	50	0	50
Council Tax Collection	no Court Costs income due to no enforcement during pandemic	-101	0	101	-72	29
Planning Policy*	lost planning income due to covid restrictions	26	107	81	-62	19
Revenues & Benefits	lost Council Tax Sharing Agreement income due to reduced collection rate	-310	-231	79	-48	31
Pest Control	lower volumes due to l/downs	-54	-22	32	-22	10
Rivers	income from Buoys, leases, wharfage and moorings lost due to Government restrictions	-140	-109	31	-18	13
Land Charges	income lost due to Government restrictions	-108	-83	25	-15	10
Riverside Park	income lost due to lockdowns	-35	-12	23	-16	7
Parks Events Total	income lost due to lockdowns	-19	2	21	-15	6
Cemeteries	income lost due to lockdowns	-141	-126	15	-6	9
Various Variances Under £10,000		-237	-210	27	-11	16
Total		-4,028	-1,875	2,153	-1,427	726

Covid Pressures

Expenditure

Service	Issue	Expenditure Budget £000	Expenditure Actual £000	Overspend £000
Leisure Services	contractual compensation payments due to income lost by service provider	173	533	360
Transformation Savings	opportunity to make savings curtailed by Covid restrictions	-133	0	133
Revs & Bens	additional staffing due to increased workload	104	205	101
Environmental Protection	cost of additional safety measures	8	47	39
Legal Services (Essex County Council (ECC))	legal costs incurred in supporting leisure legal claim	0	38	38
Environmental Health	costs incurred in preventing spread of disease	10	31	21
Play Provision	cost of additional safety measures	49	70	21
Street Cleansing	cost of additional safety measures	487	507	20
Cemeteries	cost of additional safety measures	59	78	19
Maldon Town Centre Car Parks	cost of additional safety measures	147	164	17
Service Delivery	mileage costs incurred in responding to pandemic	33	49	16
Various Variances below £10,000		292	307	15
Community Safety	Costs incurred allocated to other service areas	35	14	-21
Democratic services	Lower members allowances paid due to operating from home	272	213	-59
Total		1,536	2,256	720

* Planning Policy - although this represents lost income, the budget is a net debit one.

Movement in Earmarked Reserves

Reserve	Balance 01-Apr-20 £000's	Transfers Out £000's	Transfers (In) £000's	Balance 31-Mar-20 £000's
New Homes Bonus reserve	(538)		(646)	(1,184)
Council Tax and Business Rates Equalisation	(833)		(200)	(1,033)
Transformation	(952)			(952)
Revenue commitments	(602)	591	(406)	(417)
Repairs and renewals fund	(203)	26		(177)
Community Infrastructure levy and Local Development Plan (LDP) review	(226)	96		(130)
Strategic Priorities	0		(127)	(127)
Community Housing Fund Grant	(116)			(116)
Feasibility Study reserve	(80)			(80)
Community Safety	(78)			(78)
Economic Development	(62)	2		(60)
Homeless reduction Act Grant	(57)			(57)
Insurance liability	(52)			(52)
Community Sports Network / Health and Wellbeing	(41)			(41)
Electoral Registration	(30)			(30)
Neighbourhood Plan Applications	(29)			(29)
Waste Contract Implementation	(15)			(15)
Sports Development	(12)	1		(11)
Business Continuity	(10)			(10)
Heritage projects	(8)			(8)
FDO external funding from Plume	(1)			(1)
Community grants	(1)			(1)
Pensions Reserve	(116)	116		0
Total Earmarked Reserves	(4,062)	831	(1,379)	(4,610)

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Revenue Commitments

Revenue Budget	2020 / 21 Budget £	2020 / 21 Expenditure £	2020 / 21 Balance Available £	Commitment Requested to Carry Forward £
Tree Surgery	70,000.00	18,844.33	51,155.67	49,100.00
Parks Consultancy	4,000.00	0.00	4,000.00	3,000.00
Cemeteries Consultancy	5,000.00	1,250.00	3,750.00	3,700.00
Plant repairs and maintenance	10,500.00	3,182.36	7,317.64	7,300.00
Promenade Park maintenance	9,900.00	8,126.84	1,773.16	1,100.00
Riverside Parks maintenance	2,600.00	1,727.84	872.16	800.00
Playground Equipment maintenance	47,600.00	28,837.83	18,762.17	2,200.00
Council Office planned repairs and maintenance	9,700.00	330.00	9,370.00	5,400.00
Public Convenience Property Maintenance	13,100.00	1,436.47	11,663.53	8,000.00
Parks small machinery	16,900.00	8,685.26	8,214.74	7,600.00
Splash Park Maintenance	42,700.00	5,533.31	37,166.69	28,000.00
Flood Management	55,800.00	35,000.00	20,800.00	20,800.00
Riverside Parks Improvement fund	10,100.00	0.00	10,100.00	10,100.00
Community toilets	6,800.00	0.00	6,800.00	1,000.00
Corporate Training	74,900.00	48,445.00	26,455.00	23,800.00
Human Resources (HR) Healthy Workplace	2,000.00	716.66	1,283.34	1,200.00
Additional Election Costs	83,400.00	2,899.00	80,501.00	80,500.00
FM Implementation	100,000.00	29,510.00	70,490.00	70,400.00
Department for Work and Pensions (DWP) Grant Expenditure	30,000.00	2,957.74	27,042.26	27,000.00
Consultancy	2,800.00	0.00	2,800.00	2,800.00
Local Housing Needs Assessment	61,000.00	52,724.10	8,275.90	8,000.00
Strategy, Performance and Governance (SPG) Salaries - Lead Specialist Contract	127,400.00	58,051.65	69,348.35	24,420.00
Transport East Subscription	1,600.00	406.75	1,193.25	1,100.00
Pinnacle Reporting Project Management	1,843,600.00	1,776,581.99	67,018.01	18,400.00
Totals	2,631,400	2,085,247	546,153	405,720

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REPORT of DIRECTOR OF RESOURCES

to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2021

MID-YEAR GROWTH BIDS

1. PURPOSE OF THE REPORT

- 1.1 To consider the proposed mid-year growth bids.

2. RECOMMENDATION

That the revenue and capital growth bids at **APPENDICES 1** and **2** respectively are approved.

3. SUMMARY OF KEY ISSUES

3.1 Introduction

- 3.1.1 During the 2021 / 22 budget setting process a number of growth bids came forward. Due to the financial uncertainty caused by the pandemic only those that were deemed to be absolutely essential at the time were put forward for approval. This was on the understanding that during 2021 / 22 when the financial position and need for the other growth items were clearer, mid-year growth bids would come forward.

- 3.1.2 The in-year growth that is recommended for 2021 / 22 has been identified. This was presented to the Finance Working Group on 17 June 2021 to provide an opportunity for challenge and detailed questions to be asked. Subsequently all those bids that were presented to the working group have come forward to Committee.

3.2 Revenue Growth BIDS

- 3.2.1 A summary of the proposed revenue growth bids is provided in the following table, with detail around the needs for these growths in **APPENDIX 1**. The 2021 / 22 costs assume the post are recruited to in December, allowing for the recruitment process to be carried out.

Table 1 – Summary of Revenue Growth Bids

Revenue Growth Item	Growth 21/22 £000	Growth 22/23 £000	Growth 23/24 £000	Total £000
Operations Manager for Commercial Services (Grade I)	19	58	62	139
Planning Enforcement Specialist L2	15	47	49	111

Revenue Growth Item	Growth 21/22 £000	Growth 22/23 £000	Growth 23/24 £000	Total £000
Planning Enforcement L1 Caseworker	9	28	29	66
Total	43	133	140	316

- 3.2.2 The impact on the budget gap and general fund balance of these growths is shown in the following table. The recommended minimum General Fund Balance is £2.6m

Table 2 – Impact of Growths on the General Fund Balance

	21/22 £000	22/23 £000	23/24 £000
Opening General Fund Balance	5,800*	5,757	4,822
Budget Surplus / (Gap)	0	-802	-1,178
Growth Bids	-43	-133	-140
Closing General Fund Balance	5,757	4,822	3,504

* Provisional figure, subject to audit

3.3 Capital Growth Bids

- 3.3.1 A summary of the proposed capital growth bids is provided in the following table, with detail around the needs for these growths in **APPENDIX 2**.

Table 3 - Summary of Capital Growth Bids

Capital Item	£000
Replacement Ride on Mower	24
Gym expansion at Dengie 100 Sports Centre	30
Total	54

- 3.3.2 Capital growth will be funded from the capital receipts reserve and can be replenished from the savings where they are generated. Currently £363,000 uncommitted from the reserve over the life of the capital programme.

4. CONCLUSION

- 4.1 The justification for the growths is set out in the report and it is recommended they are approved.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The growths are necessary to provided services to the intended standards, facilitate delivery of strategic priorities and provide costs savings.

6. IMPLICATIONS

- (i) **Impact on Customers** – Improved planning enforcement service.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – These are outlined in the report.
- (v) **Impact on Resources (human)** – These will be managed within the existing Human Resources (HR) processes and resources.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to: Chris Leslie, Director of Resources.

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Mid Year Revenue Growth Items

Growth Item	Growth 21/22 £000	Growth 22/23 £000	Growth 23/24 £000	Total £000	Comments	Implications if Not Approved
Operations Manager for Commercial Services (Grade I)	19	58	62	139	Post required to manage the day to day operational issues that occur in the service. Currently this is being managed by taking resources away from the strategic work.	Without operational management strategic work on commercial activity and Council priorities will be unable to be delivered.
Planning Enforcement Specialist L2	15	47	49	111	We currently have only one experienced enforcement officer, with a second junior officer being trained on the job. This is insufficient to manage existing caseloads let alone the historic backlog. An increased level of resource is required to deliver the levels of service that Members have indicated they would like to see relating to planning enforcement issues/ complaints. This resource is also necessary to enable the successful implementation of the revised enforcement policy that was approved by members last year. This more senior role will provide line management for the team and oversee workloads, ensuring the service operates effectively and within agreed service standards. They will also feed-in to Members (via a working group) to provide updates on enforcement cases.	The team will continue to be overstretched with no effective day to day workload management or expertise, which will result in complaints from the public and reputational damage. There is also a huge risk if our more experienced officer goes off sick or leaves the authority, as no one else has their level of knowledge or experience to resolve our more complex cases.

Planning Enforcement L1 Caseworker	9	28	29	66	Our existing Caseworker has been working overtime to register new cases for the past 18 months. This has been papering over the cracks and we need additional resource to provide resilience within the team. In addition to this, an increased level of resource would be required to deliver the levels of service that Members have indicated they would like to see relating to planning enforcement issues/ complaints. This resource is also necessary to enable the successful implementation of the revised enforcement policy that was approved by members last year.	We risk losing our existing Caseworker through stress / burnout and have no one else that can register new enforcement cases. Our current Caseworker is part-time and we need someone to not only provide full-time cover, but to provide resilience within the team and complete essential administration duties.
Total	43	133	140	316		

CAPITAL PROJECT SHEET (Dengie 100)

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Alteration and refurbishment of the old changing rooms into a gym extension at Dengie 100 Sports Centre
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) 	Service Improvement
Project Lead Officer	Frank Britt
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	<p>The current set up at the Dengie 100 Sports Centre is that it is fully managed by Places Leisure on behalf of MDC. Part of this operation is the running of the bar and kitchen area. We have had preliminary discussions with both Places Leisure and Burnham Rugby Club about this as the rugby club are keen to take over the operation of the bar and kitchen as part of a project that they are proposing and to also build new changing rooms, storage etc on part of the car park. They are not looking for any funding for this and it seems that all parties and Council Members are keen to see this happen. The building of the extension for the new changing rooms will 'free up' the old changing rooms and allow for their alteration and refurbishment to additional gym space which would fall to Places Leisure to manage. We would be taking out walls, making good flooring, moving the existing office area, new ceilings etc and a full redecoration of the area. This whole process will allow Places Leisure to increase the gym membership numbers and get more customers through the doors. As a consequence of this MDC will have a reduction in their liability to pay a management fee to Places Leisure as they do currently. This may go down to a break even point or maybe beyond, thus saving MDC approx. £10k per month. MDC would also be leasing the bar and kitchen areas to Burnham Rugby Club for a suitable annual rent to be decided by valuation. With the Rugby Club running the bar and kitchen they will be able to hold fund raising events, community events etc for the good of the community.</p>
Project Start Date <i>(Month and year)</i>	TBC
Project Completion Date <i>(Month and year)</i>	TBC


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, including liaison with Places Leisure. 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	30,000				
2022/23					
2024/25					
2025/26					
TOTAL	30,000	0	0	0	0

CAPITAL PROJECT SHEET (Dengie 100)

<p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i></p> <p>1) <i>Strengthening communities to be safe, active and healthy</i></p> <p>2) <i>Protecting and shaping the District</i></p> <p>3) <i>Creating opportunities for economic growth and prosperity</i></p> <p>4) <i>Delivering good quality, cost effective and valued services</i></p>	<p>1) Strengthening communities to be safe, active and healthy</p> <p>- Promoting and facilitating an increased number of community members to take up an active and healthy lifestyle. Providing better and good quality facilities for the people of Burnham on Crouch. Creating opportunity for the community to hire and utilise the bar for community benefit.</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>Although the scope of works for our part of this project as a whole is fairly straightforward, we would be dependent on the initial phase being carried out by The Rugby Club. Any time delays due to planning etc could impact on the completion of our phase of works within the period envisaged.</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 would be required by the Rugby Club but not for the works that are subject of this application</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p style="text-align: center;">No</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p style="text-align: center;">No</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p style="text-align: center;">No</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p style="text-align: center;">No</p>

CAPITAL PROJECT SHEET (Mower)

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Replacement of Cemeteries service ride on Mower
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>	Purchase of new John Deere 1570 out front deck ride on mower, following mechanical failure/write off of current machine. Complete Mechanical failure of Ride on mower at the end of May 2021, required for maintaining grass/grounds in Cemetery sites effectively. Previous Capital bids for 19/20 & 20/21 have highlighted risk of ageing machinery fleet to service delivery within Parks & open spaces. This specific road legal mower had originally been bought in 2003 (registration plate AY03 FFJ) and maintained appropriately for many years, but has now failed beyond economic and mechanical recovery. No additional machinery capacity within wider service given operational demands at this time of year.
Project Start Date <i>(Month and year)</i>	Jun-21
Project Completion Date <i>(Month and year)</i>	URGENT
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	No
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	23,500				23,500
2022/23					
2023/24					
2024/25					
TOTAL	23,500	0	0	0	23,500

CAPITAL PROJECT SHEET (Mower)

<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>Protecting and shaping the district. 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>Prices have increased significantly since last Capital purchase of new mowers of identical model type in 2020. Temporary solution of Contracting grass cutting support is not sustainable long term.</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>none</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>No</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>Cemeteries service delivery; appearance & enjoyment of Open spaces; reducing customer complaints</p>

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REPORT of DIRECTOR OF RESOURCES

**to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2021**

**SUPPLEMENTARY ESTIMATES, VIREMENTS AND USE OF RESERVES: 1 OCTOBER
2020 – 31 MAY 2021**

1. PURPOSE OF THE REPORT

- 1.1 To report Virements and Supplementary Estimates agreed under delegated powers where they are below the levels requiring approval by this Strategy and Resources Committee and seek approval where they are above the levels requiring approval by this Committee.
- 1.2 To inform the Committee of procurement exemptions that have been granted in the period.
- 1.3 To report on the use of Reserves during the year.

2. RECOMMENDATIONS

- (i) That the procurement exemptions detailed in section 3.4.1 below be noted;
- (ii) that the Drawdown of Reserves detailed in section 3.5.2 of this report be noted.

3. SUMMARY OF KEY ISSUES

3.1 Rules and Regulations

- 3.1.1 The approval and reporting arrangements in relation to virements and supplementary estimates are set out in the Financial Regulations and Financial Procedures. These are as follows:

Virements (movements) within the same directorate:

- Agreed by the relevant Director and the Director of Resources.

Virements between different directorate:

- Up to £20,000 – Director and Director of Resources and reported quarterly to members via email;
- Over £20,000 up to £50,000 - Director, Director of Resources in consultation with relevant Programme Committee Chairman; and reported to the next Strategy and Resources Committee;
- Over £50,000 - the Strategy and Resources Committee.

Supplementary Estimates

- Up to £20,000 – Director and Director of Resources in consultation with the Chairman of the Strategy and Resources Committee and the Leader and reported to the next Strategy and Resources Committee.
- Over £20,000 –Strategy and Resources Committee.

3.1.2 The Contract Procedure Rules provide information in relation to procurement exemptions. The exemption enables the council to waive any requirements within the contract procedure rules for specific projects.

3.1.3 Procurement exemptions should be signed by the Officer and countersigned by the Director of Resources and where appropriate the Chairman of the Strategy and Resources Committee

3.2 Virements

3.2.1 There were no virements that are required to be reported to the Committee during this period.

3.3 Supplementary Estimates

3.3.1 There were no supplementary estimate requests during this period.

3.4 Procurement Exemptions

3.4.1 There were nine procurement exemption requests were received in this period. Details are as follows:

Item	Amount	Description	Reason	Authority
1.	£24,000	Ringgo to supply Pay by Phone Parking.	Extension of contract.	Approved by Director of Resources and Lead Asset and Maintenance Co-ordinator 09/03/21
2.	£21,600	To secure Five Lakes Arena as the verification and count venue for the elections.	The only venue of sufficient size within Maldon District.	Approved by Director of Resources and Director of Strategy, Performance and Governance 17/03/21
3.	£19,910	Redlynch to carry out patch repairs to the cold-pour safety surface of the Splash Park.	Patch repair quotes were sought to enable safe operational opening. Redlynch were the only tender to submit a 'patch' repair quote at that time.	Approved by Director of Resources and Strategy, Policy and Communications Manager 13/04/21
4.	£31,816	Matta Products to install safety matting installation occur at 3 play sites.	Appropriate due to the uniqueness, exclusiveness and specification of the product.	Approved by Director of Resources and Strategy, Policy and Communications Manager 21/04/21
5.	£3,650	RDE Cardy for the Delivery, Collection and storage of Eight Knot Speed Limit Buoys.	Not possible to carry out a tender process due to government restrictions.	Approved by Director of Resources and River Bailiff and Emergency Planning Officer 27/04/21
6.	£29,368	John Grose to supply new parks vehicle (capital).	Unable to source a vehicle from any other supplier.	Approved by Director of Resources and Cemeteries and Bereavement Services Senior Co-ordinator 29/04/21

Item	Amount	Description	Reason	Authority
7.	£40,800	Stuart Agnew Harris Partnership To supply COVID Enforcement officer.	Tendering would take an unreasonable period of time where safety protections will not be in place.	Approved by Director of Resources and Lead Specialist: Community 17/05/21
8.	£10,000	MRI Software to record all homeless approach, prevention and relief cases	current contractor has worked with the Authority for a number of years	Approved by Director of Resources and Specialist Services Manager 24/05/21
9.	£5,660	Essex Community First Aid Event Volunteers to provide Splash Park first aid	Contract initially under the £5,000 threshold but incremental requirements exceeded the threshold.	Approved by Director of Resources and Cemeteries and Bereavement Services Senior Co-ordinator 16/06/21

3.5 Drawdowns from Reserves

3.5.1 Other than reserve movements previously reported, there are only three reserve drawdowns during this period and all of these have taken place at year end and are reported as part of reserve movements in the Outturn Report to the Strategy and Resources Committee for approval on 15 July 2021.

3.5.2 These include:

- £35,100 from the Local Development Plan (LDP) / Community Infrastructure Levy (CIL) Reserve for local housing needs application and staffing,
- £1,750 from the Economic Development Reserve to cover Maldon and Blackwater Estuary Coastal Community Team costs, and
- £706 from the Sports Development Reserve to cover the Active Maldon deficit.

4. CONCLUSION

4.1 The Committee is invited to:

- Note the procurement exemptions in section 3.4.1, and
- Note the drawdown of reserves in section 3.5.2 of this report.

5. IMPACT ON CORPORATE GOALS

5.1 The adherence to the Financial Regulations and Financial Procedures contributes towards the corporate core values of being open and transparent, and accountable for our actions.

6. IMPLICATIONS

- Impact on Customers** – Only specific to the items detailed in the table in paragraph 3.4.1.
- Impact on Equalities** – None identified.

- (iii) **Impact on Risk** – Only specific to the items detailed in the table in paragraph 3.4.1.
- (iv) **Impact on Resources (financial)** – Only specific to the items detailed in paragraph 3.4.1 and 3.5.2.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified.
- (vii) **Impact on Strengthening Communities** – None identified.

Background Papers: None.

Enquiries to: Lance Porteous, Lead Finance Specialist.



**REPORT of
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

**to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2021**

**A12 CHELMSFORD TO A120 WIDENING SCHEME - RESPONSE TO HIGHWAYS
ENGLAND PUBLIC CONSULTATION ON 'PRELIMINARY DESIGN'**

1. PURPOSE OF THE REPORT

- 1.1 Highways England has published a public consultation on its 'Preliminary Design' for the A12 Chelmsford to A120 Widening Scheme (the Project) between Junction 19 Boreham Interchange, Chelmsford and Junction 25 Marks Tey A120 Interchange, Colchester. The Public Consultation commenced on 22 June 2021 for eight weeks to 16 August 2021. Maldon District Council is a Statutory Stakeholder and consultee in the Project as a small section of the A12 is within the District at its very northern tip. The Project is a NSIP (Nationally Significant Infrastructure Project) under the Planning Act 2008. Engagement with the Council has been via their Highways England A12 Team.
- 1.2 Members and officers have attended statutory stakeholder meetings, workshops and Member Forums arranged by the Highways England A12 Team over the past year, which were also attended by Essex County Council, Braintree District Council, Chelmsford City Council and Colchester Borough Council leading up to the Project reaching this 'Preliminary Design' stage public consultation.
- 1.3 Maldon District Council has used the statutory stakeholder meetings, workshops and Member Forums to discuss opportunities that the Project could realise and to raise concerns regarding the impact of the Project on the local road network connections that are relied upon by Maldon District residents and businesses to reach and access the existing junctions on the A12.
- 1.4 Maldon District residents and businesses connect to and from the A12 national road network at Boreham, Hatfield Peverel, Witham, Kelvedon and via Tiptree on the local road networks within the District (A414, B1018, B1019, B1022) where the Project proposes significant changes to the access arrangements to the existing A12 junctions and creates new junctions as a major part of the Project.
- 1.5 Essex County Council Highways and Transportation is responsible for the local road network that will carry traffic to and from the District to connect to the new and improved A12 Junctions at Boreham Interchange (Junction 19) via A414; to the new Junction 21 east of Hatfield Peverel (existing Junctions 20a and 20b in Hatfield Peverel to close) via B1019; to Witham (Junction 22) via Little Braxted Lane and B1018 and to Junction 24 via Kelvedon.
- 1.6 Two new bypasses are proposed at Rivenhall End between Junctions 22 and existing Junction 23 (Junction 23 to be removed) including a new link road from Inworth to Junction 24 (to relieve Kelvedon of traffic from Tiptree accessing A12) and between Junctions 24 and 25 Kelvedon to Marks Tey.

2. RECOMMENDATIONS

To the Council:

That the response to the Highways England Public Consultation for the 'Preliminary Design' of the A12 Chelmsford to A120 Widening Scheme (**APPENDIX 3**) is approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The engagement is with Highways England A12 Team working up the preliminary design of the Project highlighted opportunities and concerns that fall to the responsibility of Essex County Council Highway and Transportation, who manage the local road network connections to the Project.
- 3.2 Essex County Council (ECC) wrote to Maldon District Council (MDC) on 26 April 2021 (via Councillor Kevin Bentley to the Leader of the Council) (**APPENDIX 1**) to draw together thoughts on the design options being discussed at a final round of workshops during early May 2021: *'It would be good to contact Highways England ahead of the final set of workshops and the statutory consultation due in June this year because it allows Highways England to have early warning of our concerns and maybe if brought to the attention to senior officials may result in some changes to current proposals'*.
- 3.3 A response was sent from the Director of Strategy, Performance and Governance, MDC to the Director of Highways and Transportation, ECC on 13 May 2021 (**APPENDIX 2**) setting out this Council's concerns and missed opportunities to the junction design options presented by Highways England during November 2020 to May 2021.
- 3.4 The A12 Chelmsford to A120 Widening 'Preliminary Design' Public Consultation documents have not taken account of the concerns and missed opportunities continually raised by the Council to improve local road connections, address known congestion hotspots and improve air quality issues caused by traffic originating from the Maldon District to access and connect to the A12 junctions that are the subject of the public consultation.
- 3.5 The Maldon District residents and businesses rely on the local road network to access national road and national rail connections. Lack of investment and improvements to the local road network within the Maldon District to connect efficiently to the A12 will impede existing and future growth scenarios and the ability to address environmental impacts caused by traffic congestion in our own District and in neighbouring authority areas.

4. CONCLUSION

- 4.1 The Project acknowledges the A12 is an important economic link in Essex and across the east of England and provides the main south-west / north-east route through Essex and Suffolk connecting Ipswich to London and to the M25.
- 4.2 It is apparent that the Project will improve journey times once on the A12 and will reduce congestion on local roads when the A12 has had to close due to accidents. However, the 'Preliminary Design' has missed the opportunity to improve

connections to the A12 from within the Maldon District, working with ECC, at known congestion hotspots set out in **APPENDIX 2**.

- 4.3 The Council's response (**APPENDIX 3**) to the A12 Chelmsford to A120 Widening Scheme 'Preliminary Design' has replicated and reinforced the points set out in **APPENDIX 2**. These points made have been cross referenced to the evidence set out in the Public Consultation documents to give further weight to our concerns of increased traffic congestion and longer waiting times at known hotspots on the local road network that connect to existing and the new junction designs.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The response to the A12 Chelmsford to A120 Widening Scheme 'Preliminary Design' supports the Strategic Theme Place by reducing the environmental impact of pollution on the environment and to deliver new infrastructure through development.
- 5.2 Good transport connections support the Strategic Theme Prosperity by enabling future investment and new jobs.
- 5.3 Reducing the environmental impact of pollution and access to local jobs, facilities and services, generally supports health and wellbeing objectives in the Strategic Theme Community.

6. IMPLICATIONS

- (i) **Impact on Customers** – The Council's response is representative of resident and business interest.
- (ii) **Impact on Equalities** – The Council's response is representative of all.
- (iii) **Impact on Risk** – None. The Council's response is as a Statutory Stakeholder in the Project.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – The Council's response has considered existing and future impacts on the environment.
- (vii) **Impact on Strengthening Communities** – Good transport links are vital to resilient and strong communities.

Background Papers:

Link to A12 Chelmsford to A120 Widening Scheme Public Consultation documents:

<https://highwaysengland.co.uk/our-work/east/a12-chelmsford-to-a120-widening-scheme/>

Enquiries to: Jackie Longman, Strategic Theme Lead PLACE.

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Essex County Council
 Market Road
 County Hall
 Chelmsford
 Essex CM1 1QH



Date: 26 April 2021

A12 Widening Project and Engagement with Highways England

Your Leader will have received a letter from Cllr Bentley on drawing our thoughts together about the current design options for the A12 widening project.

To help with your replies I would similarly like to know your thoughts from a Planning, Environment or Technical perspective based on your participation in the many workshops and the presentations and other documentation you may have received from the A12 team.

I would stress, as our Cabinet Member has, that the engagement to date, although extensive, is not formal consultation on the detail of the scheme. This comes later in June and ahead of this there is a last round of workshops starting in early May.

As a reminder perhaps of the many aspects that have received attention of late the following may be helpful to guide your reply.

- J19 Boreham: the integration of many schemes not least the HIF projects, the Local Pan developments and how we view the interface with the remainder of the A12 to the south
- Hatfield Peverel: the closure of junctions 20a and 20b and replacement of a new junction serving all local connections including Witham, Hatfield Peverel and Maldon
- Witham North: the revised junction with connections to Little Braxted Lane
- Rivenhall End: how de-trunked proposals fit in with local road connections
- Kelvedon/Feering: the removal of junctions to the north and south of the villages and these and Tiptree served with a new junction off the Inworth road. Also, the potential for a future junction to serve the RIS 3 scheme for the A120
- Marks Tey: a de-trunked current road, plus as with Boreham, a complex interchange with many local and current trunk roads including the A120

Aside from these highway specific considerations there are also more generic aspects to consider, some related to connectivity some to Planning and Environmental matters:

- Local Growth proposals
- PROW connections
- Sustainable transport
- Air Quality
- Environmental mitigation

As Cllr Bentley has mentioned that it would be good to contact Highways England ahead of the final set of workshops and the statutory consultation due in June this year because it allows Highways England to have early warning of our concerns and maybe if brought to the attention to senior officials may result in some changes to current proposals.

Although the widening has been long awaited and the scheme will deliver a new and safer road layout with more capacity there is a growing worry that there may be insufficient thought given to future proofing for local road improvements required to accommodate growth or interim mitigation needed.

I would be very grateful for your thoughts and things we need to emphasise ahead of the statutory consultations. Highways England are keen to learn of all our concerns and ideas rather than simply await these through formal consultation. It is in our own interests to voice these now and not save all of them to the DCO submission when things get trickier to resolve.

Best regards



Andrew Cook | Director of Highways & Transportation



www.essex.gov.uk/highways

c.c. Chris Stevenson, Head of Network Development

MALDON DISTRICT
COUNCILPrinces Road
Maldon
Essex CM9 5DL

www.maldon.gov.uk

Enquiries to: Paul Dodson
Email: paul.dodson@maldon.gov.uk

13 May 2021

Andrew Cook
Director of Highways and Transportation
Essex County Council
Market Road
County Hall
Chelmsford
Essex CM1 1QH

Dear Andrew

A12 Widening Project and Engagement with Highways England

Thank you for your letter referencing the engagement to date with the Highways England A12 Team on the current design options to feature in the public consultation in mid-June 2021.

Maldon District Council (MDC) Members [Cllr Mark Durham (also ECC Member); Cllr Richard Siddall and Officers have attended all engagement sessions, workshops and Member Forums and have raised similar concerns on certain aspects of the project relating mainly to the local road network connections to the A12 Widening Project from within the Maldon District. The central, north and west parts of the District rely on the A414, B1018, B1019 and B1022 local road network to connect to the A12 via Danbury, Hatfield Peverel, Witham and Tiptree/Kelvedon where current junctions will be changed by this project. We acknowledge the local road network is managed by ECC Highways and Transportation and not Highways England.

At the 'preferred route' stage and before any design options were presented, Officers informed the A12 Team, when they presented at MDC offices early in 2020, that our strategic housing growth (South Maldon Garden Suburb and North Heybridge Garden Suburb) and economic regeneration at The Causeway rely and impact on the B1019 connection via Hatfield Peverel to connect to the A12. It was felt, at that early stage, that design/investment opportunities could be taken forward by Highways England, working with ECC Highways and Transportation, Maldon District Council and cross-boundary with Braintree DC, to improve known congestion issues at the B1019 Maldon Road/Duke of Wellington mini roundabout in the centre of Hatfield Peverel 'village' that access A12 Junctions 20a and 20b. These known congestion issues were confirmed by Christopher Stevenson, ECC, at a recent workshop as being of some 30 years standing.

I refer to your second bullet point:

Hatfield Peverel: the closure of junctions 20a and 20b and replacement of new junction serving all local connections including Witham, Hatfield Peverel and Maldon

At an early stage in the design process, Officers asked Highways England if the mini roundabout at B1019 Maldon Road/Duke of Wellington T-Junction has the capacity to cope with existing traffic (HGVs, vans, cars) from the A12 irrespective of the proposed new junction serving all local connections, including Maldon, and the known housing/economic growth expected in the Maldon and Braintree Districts. The recent 'made' Hatfield Peverel Neighbourhood Plan highlights the issue of '*high traffic flows on Maldon Road and The Street that are both narrow roads.*'

During recent engagement and workshops, Highways England has '*investigated possible improvements at the Maldon Road/Duke of Wellington mini roundabout*' and presented these at workshops '*with a signalised T-Junction arrangement; two lane approaches for 30m/50m stacking capacity*' and '*two lanes for The Street approach from J21 with 30m stacking capacity; one lane approach from Hatfield Peverel and Maldon Road approaches and signalised T-Junction arrangement with banned turning movements*'.

It remains unclear what improvements to the existing Maldon Road/Duke of Wellington mini roundabout will be taken forward to public consultation and who is responsible for delivery, ECC or Highways England? It is important to note that these 'improvements' still result in a Level of Service (LOS) F grading at the junction to access the A12 as it is now. The 'improvements' presented by Highways England will impact on the residents of Hatfield Peverel with loss of pavement space at the Maldon Road/Duke of Wellington junction and safe access to everyday facilities and services on The Street and Maldon Road including a nursery school.

During workshops, Braintree District Council alluded to applying for SHIF funding for a Maldon link road/Hatfield Peverel bypass with an arm from the new proposed Junction 21. Highways England stated at the workshop on 11 May 2021: *'the design of the new junction 21 will not preclude a future 'Maldon link road/Hatfield Peverel Bypass'*. However, we should ensure our concerns and the thought process through our engagement on the design of Junction 21 is not lost to the public consultation documents.

I refer to your third bullet point:

Witham North: the revised junction with connections to Little Braxted Lane

Little Braxted Lane is a single lane route with passing places and single lane bridge crossing (Grade II Listed) to reach the A12 junction at Witham North from within the Maldon District. It is suitable for cars and small vans only. The gravel extraction plant has a 'right turn only' junction to the A12. Highways England sought the view of the Parish Council to close Little Braxted Lane access to Witham North Junction despite Maldon District Council stating it was an important local road network link to access the Eastways Business Park in Witham, immediately adjacent the A12.

It should be made clear on the A12 leading up to the new Witham North Junction, that Little Braxted Lane is unsuitable for HGVs and the bridge crossing on Little Braxted Lane has a weight limit to protect its listed status.

I refer to your fourth bullet point:

Kelvedon/Feering: the removal of junctions to the north and south of the villages and these and Tiptree served with a new junction off the Inworth Road. Also, the potential for a future junction to serve the RIS 3 scheme for the A120

See bullet point 2. We question the similarity of this scenario to relieve the impact of Tiptree traffic through Kelvedon and Feering with a new junction off the Inworth Road to Hatfield Peverel needing a Maldon link road/Hatfield Peverel Bypass from the new proposed Junction 21. This would relieve the impact of Maldon District traffic impacting on the Maldon Road/Duke of Wellington mini roundabout in the centre of Hatfield Peverel village and improve connectivity for Maldon District residents and businesses to the national road network?

Local Growth proposals

Maldon District Council is reviewing its LDP commencing March 2021 – 2023 and has published a 'Call for Sites' consultation that runs to 21 May 2021 to allocate potential sites in a new LDP. The ECC/MDC LDP Review Liaison Group will be meeting regularly every 6-8 weeks from 19 May 2021 to discuss transportation and highway matters associated with existing and future local growth proposals.

Sustainable Transport

MDC continues to work with ECC, SELEP and Transport East on sustainable transport options to relieve the environmental impacts of the District's high reliance on the motor vehicle by residents, visitors and businesses.

Air Quality/Environmental Mitigation

MDC is concerned at the recent (2019) declaration of Air Quality Management Areas in Maldon and Danbury, both on the A414. Whilst we acknowledge the A12 Widening project will alleviate some congestion on local roads (caused when the A12 is closed), the District's residents and businesses rely on these local roads to connect to the A12 national road network. MDC is concerned at the environmental impacts of congestion and pollution in Hatfield Peverel village originating from the Maldon District. How can we improve local air quality caused by congestion and queuing traffic on local road connections if the local road connections are not improved to connect to the A12?

These thoughts and concerns have been repeatedly raised through engagement with Highways England and we agree they should be emphasised prior to the public consultation and before the DCO submission when as you say, things get trickier to resolve.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Dodson', with a stylized flourish at the end.

Paul Dodson
Director of Strategy, Performance and Governance

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DRAFT

(on Council headed paper once approved)

APPENDIX 3

A12 Chelmsford to A120 Widening Project Team
Highways England
Woodlands
Manton Lane
Bedford
MK41 7LW

Add date:

Your Ref: TR010060/S42(1)(b)/June/2021

Dear Sir / Madam

A12 Chelmsford to A120 Widening Scheme ('the Project')
'Preliminary Design' Statutory Consultation 22 June 2021 – 16 August 2021
Planning Act 2008 Section 42: Duty to consult on a proposed application

Maldon District Council (MDC) Members and Officers have attended all engagement sessions leading up to this 'Preliminary Design' Statutory Consultation, including technical workshops on junction design and connections to and from the A12 on the local roads network, PEIR (Preliminary Environmental Information Report) workshops, DCO and SoCC (Development Consent Order and Statement of Community Consultation) workshops and Member Forums between March 2020 and May 2021.

Concerns on certain aspects of the 'design' have been continually raised through the engagement sessions and Member Forums relating mainly to the local road network connections to the Project from within the Maldon District. The central, north and west parts of the Maldon District rely on the A414, B1018, B1019, B1022 and B1023 local road networks to connect to the A12 via Danbury on A414 to Junction 19 Chelmsford, via B1018 to Witham to Junction 22 (via B1389), via Little Braxted Lane to Junction 22, via Hatfield Peverel on B1019 Maldon Road to Junctions 20a and 20b and via Tiptree and Kelvedon on the B1022 and B1023 to Junctions 23 and 24. These existing junctions will be changed by the Project. We acknowledge the local road network is managed by Essex County Council (ECC) Highways and Transportation and not Highways England.

After the 'Preferred Route' stage, based on 'route 2', and before any 'design options' were presented, Officers informed the A12 Team, when they presented at MDC offices on 11 March 2020, that our strategic housing growth (South Maldon Garden Suburb and North Heybridge Garden Suburb) and economic regeneration at The Causeway, (Maldon District's largest employment area) rely and impact on the B1019 Maldon Road connection via Hatfield Peverel to connect to the A12. It was felt, at that early stage, that the design of the Project plus investment opportunities could be taken forward by Highways England, working with ECC Highways and Transportation, MDC and cross-boundary with Braintree District Council (DC), to improve known congestion issues at the B1019 Maldon Road / Duke of Wellington mini-roundabout in the centre of Hatfield Peverel 'village' that access / exit A12 Junctions 20a and 20b. These known congestion issues at the Maldon Road/Duke of Wellington mini roundabout to access and exit the A12 for Maldon District residents and businesses were confirmed by ECC Highways and Transportation at the 11 May 2021 'A12 Workshop – Junctions 19-25 (including local roads)', as being of some 30 years standing.

At the same meeting, MDC re-emphasised the status of Little Braxted Lane in the context of the 'design options' presented for Junction 22, that Little Braxted Lane is a 'single lane route with passing places' to access and exit the A12 from Little Braxted, Great Braxted, Great Totham and Wickham Bishops.

The Council makes the following comments to the Statutory Consultation with reference to: **A12 Chelmsford to A120 Widening, Public Consultation, Highways England, June 2021 'Consultation Brochure' and virtual exhibition material**

THE CLOSURE OF JUNCTIONS 20A AND 20B AND REPLACEMENT OF NEW JUNCTION 21 SERVING ALL LOCAL CONNECTIONS INCLUDING WITHAM, HATFIELD PEVEREL AND MALDON

Maldon District Council response:

The Council raises an objection to the preliminary design of new Junction 21. Junction 21 does not address the significant and long-standing congestion issues at the B1019 Maldon Rd/B1137 Duke of Wellington mini roundabout in Hatfield Peverel that currently access / exit junctions 20a and 20b (to be removed as part of the Project). Maldon District residents and businesses access / exit the A12 national road network from the B1019 Maldon Rd / B1137 Duke of Wellington mini roundabout. Whilst the B1019 Maldon Rd / B1137 Duke of Wellington mini roundabout falls within the local road network, it is the only way of accessing and exiting the A12 national road network.

The Council questions the logic and cost of *'a road linking the southern roundabout [of Junction 21] to Hatfield Peverel [the B1019 Maldon Rd / B1137 Duke of Wellington mini roundabout], intended as the main access between the proposed new road layout and areas to the south and west, including Hatfield Peverel and Maldon'* to a known and existing traffic congestion hot spot accessing and exiting the A12 (see diagram on page 14, Consultation Brochure).

The Council has continually raised the issue of traffic congestion in Hatfield Peverel village originating from the Maldon District at the B1019 Maldon Rd / Duke of Wellington mini roundabout. Maldon Road, Hatfield Peverel is a residential street with housing on both sides of the road with village services and facilities including 2 pubs, nursery school and a parade of shops including convenience store and dry cleaners. Access to the village primary and junior schools are off Maldon Road on Church Street.

The Council is perturbed at the lack of consideration in the Project given to investing in and improving a known congestion hotspot on the local road network originating from Maldon District residents and businesses accessing the nearest A12 national road network on the B1019 Maldon Road via Hatfield Peverel. This is in stark contrast to the consideration given by the Project to reducing the congestion in Kelvedon High Street (within Braintree District) by closing Junction 23 and with a new Junction 24 to link from the Inworth Road (B1023) to relieve Inworth (a small village) of traffic coming from Tiptree on the B1023 (within Colchester Borough).

Reasoning for the Council's response:

Hatfield Peverel Junctions 20a and 20b are the nearest junctions to access the A12 national road network from the 'Main Settlements' of Maldon and Heybridge ('Main' settlements are classified in Policy S8 *Settlement Boundaries and the Countryside*, Maldon District Local Development Plan adopted July 2017 (LDP). Maldon and Heybridge, as main settlements, have significant housing growth and regeneration projects identified in the LDP in two new Garden Suburbs: South Maldon Garden Suburb (1,428 new dwellings) and North Heybridge Garden Suburb (1,383 new dwellings) and to create 2000 new jobs in the District by 2029. The Maldon and Heybridge Central Area Masterplan Supplementary Planning Document (SPD) identifies the District's largest employment area at The Causeway, Heybridge as the focus for regeneration and investment to bring forward employment led regeneration where good transport links to the national road network are vital. Both Garden Suburbs are under construction. The North Heybridge Garden Suburb is located adjacent the **B1019** to Hatfield

Peverel and the South Maldon Garden Suburb is located adjacent the **A414** to Chelmsford via Danbury. This information was passed to the A12 Team in March 2020.

The existing Maldon District residents and businesses (and visitors) have a high reliance on the motor vehicle and local road network to access the A12 national road network (see paragraph 2, page 1).

The Maldon District has a high level of out commuting by motor vehicle and commercial/business traffic (HGVs (Heavy Goods Vehicles), LGVs (Large Goods Vehicles)) that connect to the A12 national road network via Hatfield Peverel Junctions 20a and 20b from Maldon and Heybridge. Hatfield Peverel is also the nearest connection for Maldon and Heybridge residents to the access the national rail network at Hatfield Peverel Railway Station on the Great Eastern Mainline.

The Consultation Brochure, page 4 acknowledges the significance of the Project as: *'The A12 road is an important economic link in Essex and across the east of England. It provides the main south-west/north-east route through Essex and Suffolk, connecting Ipswich to London and to the M25.'*

'The section between Chelmsford and Colchester carries high volumes of traffic, with up to 90,000 vehicles every day. HGVs are between 9% and 12% of the traffic on this section...and is an important commuter route.' These facts in the Consultation Brochure are evidenced in Census, Office for National Statistics (ONS) data and resident / business surveys for the Maldon District and underpins our response that a high proportion of 'A12 traffic' originates from within the Maldon District via the local road network to connect to the A12 via B1019 Maldon Road via Hatfield Peverel.

At an early stage in the design process, Officers asked Highways England if the mini roundabout at B1019 Maldon Road / B1137 (The Street), Hatfield Peverel has the capacity to cope with existing traffic (HGVs, vans, cars) to and from the Maldon District to connect to the A12 Junctions 20a and 20b at the centre of Hatfield Peverel village. The recent 'made' Hatfield Peverel Neighbourhood Plan highlights the issue of *'high traffic flows on Maldon Road and The Street that are both narrow roads.'* Hatfield Peverel is a small village and B1019 Maldon Road is a residential street that carries heavy traffic (HGVs, LGVs and cars) to and from the main settlements in the Maldon District: Maldon and Heybridge.

Page 12 of the Consultation Brochure: *'The proposed scheme design'* paragraph 2 states:

Our new junction 21 will provide access to the A12 both northbound and southbound and will take traffic from all directions between Hatfield Peverel Village and Witham.'

There is no mention of Maldon or Heybridge? J21 will *'take traffic'* from Maldon and Heybridge via the local road network B1019 that will access the A12 Junction 21 from the Maldon Road / Duke of Wellington mini roundabout in the centre of Hatfield Peverel village.

Page 14 of the Consultation Brochure: *New Junction 21 (between Hatfield Peverel and Witham)*, bullet point 1 states:

'A road linking the southern roundabout of the junction [21] to Hatfield Peverel, intended as the main access between the proposed new road layout and areas to the south and west, including Hatfield Peverel and Maldon.'

Page 29, Traffic, Consultation Brochure states: *'we have used traffic surveys and analysed traffic data over a large area covering the roads between Chelmsford, Colchester, Braintree,*

Maldon and beyond to create traffic models'....' to understand how drivers may respond to changes in road layouts'. The Consultation Brochure goes on to state: 'if you close a junction then it is likely that fewer drivers will continue to use the road which lead to that junction'

The Council does not support this assumption in the case of the B1019 Maldon Road / B1137 Duke of Wellington mini roundabout as the route to the new Junction 21 is not changing i.e. Maldon District residents and businesses access and exit the A12 national road network via B1019 Maldon Road / B1137 Duke of Wellington mini roundabout on the local road network to the existing Junctions 20a and 20b (both junctions closing as part of the Project) and will access and exit the new Junction 21 by the same local road network at the mini roundabout but link to the new southern arm of the new Junction 21 that continues to link to the B1019 Maldon Road / B1137 Duke of Wellington mini roundabout in the centre of Hatfield Peverel village. There are no alternative routes to the new Junction 21 on the local road network for Maldon and Heybridge residents and businesses other than the B1019 Maldon Road / B1137 Duke of Wellington mini roundabout!

The Consultation Brochure, pages 30-33 evidences '*current and future congestion* [on the A12] *if nothing is done*. With reference to the junctions 20a and 20b, most of this 'traffic' originates from the Maldon District accessing and exiting the A12 at Hatfield Peverel via Maldon Road on the B1019 / Duke of Wellington mini-roundabout junction. Unfortunately, the diagram does not acknowledge that Maldon and Heybridge in the Maldon District exist as main settlements on the local road network, despite being considered as a destination / origin to and from the A12 national road network in the design of Junction 21. This is an unacceptable omission in the Consultation Brochure considering the input Maldon District Council officers and Members have given to the Project.

The diagrams on pages 30 and 31 present the current AM peak and PM peak at existing Junctions 20 and 20b at '*85% close to or beyond capacity*'. It must be acknowledged that the current congestion on the A12 at junctions 20a and 20b originates from the Maldon District. This is because Hatfield Peverel has a population of approx. 4,000 and Maldon and Heybridge have a combined population of approx. 23,000 plus the Maldon District's largest employment area at The Causeway, Heybridge carrying significant business and commercial traffic through Hatfield Peverel to access the A12 junctions at 20a and 20b. The known congestion at the Maldon Road B1019 / Duke of Wellington mini roundabout will continue as part of the Project.

The diagrams on pages 32 and 33 present the predicted congestion on the road in 2042 without the scheme [the Project]. For the reasons set out above, the main settlements in the Maldon District that access and exist the A12 national road network from local roads must be represented on the diagram and that the B1019 Maldon / B1137 is the only access and exit point to the new Junction 21?

During the engagement and technical workshops to finalise the 'preliminary design', Highways England '*investigated possible improvements at the Maldon Road / Duke of Wellington mini roundabout*' to access the new Junction 21 in acknowledgement of existing congestion, air quality and safety concerns at the Maldon Road / Duke of Wellington mini-roundabout (HGVs, LGVs, Cars etc.) and presented these at technical workshops:

- '*signalised T-Junction arrangement*;
- '*two lane approaches for 30m / 50m stacking capacity*';
- '*two lanes for The Street approach from J21 with 30m stacking capacity*';

- *one lane approach from Hatfield Peverel and Maldon Road approaches; and*
- *signalised T-Junction arrangement with banned turning movements’.*

It remained unclear what improvements to the existing Maldon Road / Duke of Wellington mini roundabout would be taken forward to public consultation and who would be responsible for delivery, ECC or Highways England? These ‘improvements’ still resulted in a Level of Service (LOS) F grading at the Maldon Road / Duke of Wellington mini-roundabout junction to access the A12. Is it appropriate to urbanise a small rural village with such significant traffic management ‘improvements’?

The Consultation Brochure, pages 36-39 set out the ‘traffic model’ predicting two-way traffic flows AM and PM when the Project opens *‘taking into account predicted housing and economic growth between now and when the scheme opens’.*

The southern arm of the new Junction 21 will see an increase in traffic [Point 4] from 466 to 1117 AM and from 409 to 1102 PM an increase in traffic of 140% and 169% respectively. This increase in traffic will be funnelled via the B1019 Maldon Road/Duke of Wellington mini roundabout.

Maldon Road, Hatfield Peverel [Point 5] on the approach to Maldon Road / Duke of Wellington mini roundabout traffic flow will not change significantly from 984 to 1005 AM and 1079 to 1093 PM. As detailed above, there will be no alternative route to Junction 21 but this predicted two-way traffic flow data does acknowledge that a significant flow of traffic originates from the Maldon District to Hatfield Peverel to access the A12 at the B1019 Maldon Road / Duke of Wellington mini roundabout.

ECC, Braintree District Council and MDC continued to press for a sensible, timely and appropriate solution to design Junction 21 and combat the significant congestion issues at the B1019 Maldon Road / Duke of Wellington mini roundabout to access the A12 from Hatfield Peverel village. Highways England stated at the workshop on 11 May 2021: *‘the design of the new junction 21 will not preclude a future ‘Maldon link road/Hatfield Peverel bypass’.*

The Consultation Brochure, page 41 states: *‘Due to projected growth in the area, the junction with The Street and Maldon Road may struggle to work adequately in the future’.*

JUNCTION 22 (COLEMAN’S BRIDGE)

Maldon District Council Response:

The Council objects to the design of Junction 22 in consideration of access to and from the A12 within the Maldon District via Little Braxted Lane which is a single lane route with passing places and single lane bridge crossing (Grade II Listed). Little Braxted Lane is suitable for cars and small vans only and not HGVs. The Project should consider improvements to the local road network.

Reasoning for the Council’s response:

Maldon District residents and businesses in Little Braxted, Great Braxted and Wickham Bishops access and exit the A12 national road network via Little Braxted Lane.

The route to Junction 22 is not changing i.e. Maldon District residents and businesses access and exit the A12 national road network via Little Braxted Lane on the local road

network. There are no alternative routes to Junction 22 on the local road network for these residents and businesses.

The Consultation Brochure, pages 30-33 evidences '*current and future congestion* [on the A12] *if nothing is done*'. With reference to Junctions 22, the diagram does not acknowledge that Little Braxted Lane exists as the only route for Maldon District residents and businesses to access and exit the A12 road network despite being considered as a destination / origin to and from the A12 national road network in the design of Junction 22. This is an unacceptable omission in the Consultation Brochure considering the input Maldon District Council officers and Members have given to the Project.

The diagrams on pages 30 and 31 present the current AM peak and PM peak at existing Junction 22 at '*85% close to or beyond capacity / 71% - 85% nearing capacity*'. It must be acknowledged that the current congestion on the A12 at Junction 22 originates from the Maldon District.

The diagrams on pages 32 and 33 present the predicted congestion on the road in 2042 without the scheme [the Project] at '*85% close to or beyond capacity*'.

The Consultation Brochure, pages 36-39 set out the 'traffic model' predicting two-way traffic flows AM and PM when the Project opens '*taking into account predicted housing and economic growth between now and when the scheme opens*'.

Little Braxted Lane [Point 2] will see an increase in traffic from 180 to 249 AM and from 134 to 370 PM, an increase in traffic of 38% and 176% respectively.

The Consultation Brochure, page 41 states: '*The proposed new Junction 22 provides a direct access to Little Braxted Lane and in the future, it is expected that traffic will increase on Little Braxted Lane*'.

The Council considers improvements are needed now to the local road network to accommodate the Project and not as an afterthought. See below.

Junctions 23 (Kelvedon South Interchange) and Junction 24 (Kelvedon North) Kelvedon/Feering: the removal of junctions to the north and south of the villages and these and Tiptree served with a new junction off the Inworth Road. Also, the potential for a future junction to serve the RIS 3 scheme for the A120

The Council questions the Project to relieve the impact of Tiptree traffic through Kelvedon High Street and Feering with a new junction off the Inworth Road to Hatfield Peverel needing a Maldon link road / Hatfield Peverel bypass from the new proposed Junction 21.

The Project should relieve the impact of Maldon and Heybridge traffic impacting on the Maldon Road / Duke of Wellington mini roundabout in the centre of Hatfield Peverel village and improve connectivity for Maldon District residents and businesses to the national road network.

Local Growth proposals

The Council is reviewing its LDP that commenced March 2021 – 2023 and published a 'Call for Sites' consultation that ran to 21 May 2021 to allocate potential sites in a new LDP. The ECC / MDC LDP Review Liaison Group will be meeting regularly every 6 - 8 weeks from 19 May 2021 to discuss transportation and highway matters associated with existing and future local growth proposals.

Sustainable Transport

The Council continues to work with ECC, South Essex Local Enterprise Partnership (SELEP) and Transport East on sustainable transport options to relieve the environmental impacts of the District's high reliance on the motor vehicle by residents, visitors and businesses.

Air Quality / Environmental Mitigation

The Council is concerned at the recent (November and December 2019) declaration of Air Quality Management Areas in Maldon and Danbury, both on the A414. Whilst we acknowledge the Project will alleviate some congestion on local roads (caused when the A12 is closed), the District's residents and businesses rely on all of these local roads to connect to the A12 national road network.

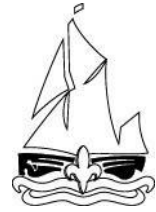
This Council is concerned at the environmental impacts of congestion and pollution in Hatfield Peverel village originating from the Maldon District. How can we improve local air quality caused by congestion and queuing traffic on local road connections if the local road connections are not improved to connect to the A12?

The Council declared a Climate Emergency in February 2021 and is preparing a Climate Action Strategy and must contribute to reducing greenhouse gas emission by 2030. The Council has serious concerns to be able to reduce the environmental impacts of traffic congestion and pollution existing on the local road networks if the Project does not ensure an improved situation to connect to the A12 national road network for the future.

These thoughts and concerns have been repeatedly raised through engagement with Highways England, ECC and neighbouring Authorities and should be at the heart of the Project rather than leave a current situation to get worse before something is done.

Signed

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**REPORT of
DIRECTOR OF SERVICE DELIVERY**

**to
STRATEGY AND RESOURCES COMMITTEE
15 JULY 2021**

WELCOME BACK FUND

1. PURPOSE OF THE REPORT

- 1.1 To inform Members about the Welcome Back Fund.
- 1.2 To agree on the principles by which the Council will engage with local business groups, lower-tier authorities and other relevant stakeholders to ensure maximum local impact and value for money.
- 1.3 To agree on the principles by which the funding will be allocated and defrayed.

2. RECOMMENDATIONS

- (i) That Members note the previous and ongoing work to support our High Streets, visitor economy and business community, and the appointment of the Fixed Term post of Lead Specialist Prosperity;
- (ii) That Members endorse the Welcome Back Fund Engagement Approach and Principles;
- (iii) That Members endorse the Welcome Back Prioritisation Principles.

3. SUMMARY OF KEY ISSUES

- 3.1 The Welcome Back Fund (WBF) is from the European Regional Development Fund (ERDF) to support the safe return to high streets and help build back better from the pandemic. It builds on the Reopening High Streets Safely Fund (RHSS), announced in May 2020.
- 3.2 The scope of the WBF is divided into six strands as set out below (with strands 5 and 6 having been added recently):
 - 1. Support to develop an action plan for how the local authority may begin to safely reopen their local economies.
 - 2. Communications and public information activity to ensure that the reopening of local economies can be managed successfully and safely.
 - 3. Business-facing awareness-raising activities to ensure that the reopening of local economies can be managed successfully and safely.
 - 4. Temporary public realm changes to ensure that the reopening of local economies can be managed successfully and safely.

5. Support to promote a safe public environment for a local area's visitor economy.
 6. Support local authorities to develop plans for responding to the medium-term impact of Covid-19 (CV-19) including trialling new ideas particularly where these relate to the High Street.
- 3.3 The guidance is extensive, but the following are explicitly out of scope:
- Activity that provides no additionality;
 - Capital expenditure;
 - Grants to businesses;
 - Activity that directly generates revenue to the Council.
- 3.4 Local authorities are encouraged to engage local businesses, business organisations, lower-tier authorities such as Parish Councils, and other relevant stakeholders when considering how to use this award.
- 3.5 Funding is provided retrospectively upon submission of an accepted claim and 3.4% of the fund will be claimed for administration to ensure this is achieved.
- 3.6 All funds must be defrayed by 31 March 2022.
- 3.7 Maldon District Council has been allocated a total of £180,218 from RHSS and WBF. Following work undertaken last year the remaining budget is £145,558.
- 3.8 Approximately £60,000 of the fund has been allocated for the employment of a new Lead Specialist (Recovery and Prosperity) to lead on the Welcome Back Project along with development and delivery of The Maldon District Economic Recovery and Transformation Action Plan (Strand 1 and leading on all other strands).
- 3.9 Approximately £10,000 has been allocated to communications and public information activity to ensure that the reopening of local economies can be managed successfully and safely (Strand 2).
- 3.10 Approximately £15,000 has been allocated to support local authorities to develop plans for responding to the medium-term impact of CV-19 including trialling new ideas, particularly where these relate to the High Street (Strand 6).
- 3.11 Business-facing awareness-raising activities to ensure that the reopening of local economies can be managed successfully and safely (Strand 3) will be achieved through existing resources and our Partnership with Sense of Place.
- 3.12 The activity and spend plans under these strands will be pro-active as well as responsive to the evolving situation and aligned with our Corporate Plan and Objectives.
- 3.13 The remaining budget of approximately £55,000 has been allocated to strands 4 and 5 and direct engagement with local business groups, lower-tier authorities and other relevant stakeholders to ensure maximum local impact and value for money.
- 3.14 Engagement with stakeholders and prioritisation of proposals will be undertaken in line with the Council's Welcome Back Fund Engagement Approach and Principles and Welcome Back Prioritisation Principles.

- 3.15 In recognition of the compressed programme time scale, this work is being started by the Strategic Theme Lead in advance of the recruitment of the Lead Specialist.

4. CONCLUSION

- 4.1 The Welcome Back fund presents a significant opportunity to the Council to support our economies, businesses and residents. However, it is a challenging timescale and has high expectations both in terms of engagement and reporting.
- 4.2 Members should support the proposals and empower officers to deliver.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Welcome Back fund primary support the Council Prosperity Objectives of Supporting Existing Local Businesses and Enhancing and Promoting the District Visitor Economy.
- 5.2 It also supports the Council's work as part of the Covid-19 Economic Response and Recover Plan.

6. IMPLICATIONS

- (i) **Impact on Customers** – The proposal will enable residents to engage with the programme and it is hoped will significantly benefit from its outputs.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Spend is at risk and it is vital that programme activity is aligned and adequately reported to the funder to ensure the funding is received.

The programme will reduce the risks to the economy presented by Covid19.

The Council faces increased reputation risk if it fails to deliver to the expectations of stakeholders.

- (iv) **Impact on Resources (financial)** – Activity if grant funded (paid retrospectively) including £5,000 for administration.

The Fund will only cover nine months of the 12-month Fixed Term Contract (FTC) for the Lead Specialist. The remaining three months' salary is a commitment of the Corporate Delivery Fund.

- (v) **Impact on Resources (human)** – It is hoped that the bulk of the work will be undertaken by the new Lead Specialist, however, inevitably there may be additional work to enhance efforts of existing staff (within existing establishment) as well as the need to start work which is being led by the Strategic Theme Lead.
- (vi) **Impact on the Environment** – None anticipated.
- (vii) **Impact on Strengthening Communities** - None anticipated.

Background Papers:

[Welcome Back Fund Guidance](#)

[Engagement Approach and Principles & Welcome Back Prioritisation Principles](#)

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

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