

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

DIRECTOR OF STRATEGY,
PERFORMANCE AND
GOVERNANCE
Paul Dodson

14 February 2023

Dear Councillor

You are summoned to attend the meeting of the;

COUNCIL

on **WEDNESDAY 22 FEBRUARY 2023 at 7.30 pm**

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

Please Note: All meetings will continue to be live streamed on the [Council's YouTube channel](#) for those wishing to observe remotely. Public participants wishing to speak remotely at a meeting can continue to do so via Microsoft Teams.

To submit a question in writing please complete a [Public Access form](#) (to be received no later than 12noon two clear working days before the Council meeting). All requests will be considered on a first-come, first-served basis.

A copy of the agenda is attached.

Yours faithfully



Director of Strategy, Performance and Governance





AGENDA COUNCIL

WEDNESDAY 22 FEBRUARY 2023

1. **Chairman's notices**

2. **Apologies for Absence**

3. **Minutes of the last meetings**

To confirm the Minutes of the Council meetings held as follows:

- a) 15 December 2022 (Pages 11 - 20)
- b) 12 January 2023 (continuation of 15 December 2023 meeting) (Pages 21 - 28)

4. **Declaration of Interest**

To disclose the existence and nature of any Disclosable Pecuniary Interests, Other Registrable interests and Non-Registrable Interests relating to items of business on the agenda having regard to paragraph 9 and Appendix B of the Code of Conduct for Members.

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

Local Government Finance Act 1992 – Section 106

Will any Members affected by Section 106 please note that any declarations to that effect should be made on the commencement of the meeting or immediately on arrival if this is later. Under Section 106 a Member who has not paid an amount due in respect of their Council Tax for at least two months after it became payable is precluded from voting on any matters affecting the level of Council Tax or the arrangements for administering the Council Tax. (The Member is, however, entitled to speak).

5. **Public Questions**

To receive questions from members of the public, of which prior notification in writing has been received (no later than noon two clear working days before the day of the Council meeting).

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

6. **Chairman's Announcements**

7. **Minute Book**

To consider the recommendations coming forward from the Committee detailed below. Please note that the Minutes of these meetings are not enclosed as they have not been approved at Committee level.

*Please also see Agenda Item 18.

a) Overview and Scrutiny Committee - 25 January 2023

Agenda Item 6 - Review of Scrutiny Workplan Item – Planning Decision Making

RECOMMENDED that the Council adopts and pursues the following initiatives:

Review and refresh of the Planning Appeals Protocol;

Views and conclusions on Member Training – limited to concentrating on bespoke and specialised training (no references to related committee structure/decision making arrangements);

Review and improvement of Officer Reports.

Item 13 – Notice of Motion Referral – Conduct Issue

Please see Agenda Item 18a on this agenda.

b) Strategy and Resources Committee - 26 January 2023 (Pages 29 - 60)

Agenda Item 6 – Notice of Motion

RECOMMENDED that the Council brings forward the 2023 / 24 Budget and a fully costed 2023 - 27 Corporate Plan at the same time and in advance of the 2023 municipal year.

Agenda Item 11 – Council Tax Support Scheme 2023 / 24

RECOMMENDED

- (i) That the following changes to the existing schemes are approved:
 - a. a cost of living increase in line with the Department for Work and Pensions schemes be included in the Local Council Tax Support Scheme (LCTS) for 2023 / 24 for Pensioners only;
 - b. that any legislative changes being introduced to the Housing Benefit Scheme, for 2023 / 24 are mirrored in the Council's LCTS to ensure consistency;
 - c. minor technical amendments to ensure that we are able to administer the Scheme reflecting current local and national guidance and that we may disregard anything determined to be a local welfare payment from our calculation;
 - d. provision to award up to a £25 discount to eligible LCTS recipients for 2023 / 24 only.
- (ii) that these decisions have been made following Members careful reading of and regard to the Equality Impact Assessment at **APPENDIX 1**;
- (iii) that Members note the framework for the Hardship Provision at **APPENDIX 2**;
- (iv) that the Policy document at **APPENDIX 3**, be approved.

Agenda Item 12 – Council Tax Discretionary Discount Levels

For further information please see [the Council's website](#).

RECOMMENDED

- (i) That the following changes are approved to have effect from 1 April 2024:
 - a. An empty home premium of 100% is levied on properties empty longer than one year;
 - b. The Council Tax for second homes which are no one's sole or main residence is increased by 100% through the application of a premium at the maximum permitted amount.
- (ii) That no changes are made to the Councils Section 13a1C discretionary reduction policy to specifically deal with empty properties which are being marketed for sale;
- (iii) That these decisions are reviewed as part of the budget setting process for 2024 / 25 and annually thereafter.

Agenda Item 13 – Pay Policy Statement

RECOMMENDED that the Pay Policy Statement attached at **APPENDIX 4**, be adopted for 2023.

Agenda Item 14 – Maldon Citizens Advice – Funding Request

RECOMMENDED that Members consider applying an inflationary increase of 6% to the Advice Services Contract, totaling £4,500.

Please note that the following recommendations coming forward from this Committee are not for consideration at this point as they form part of Agenda Item 9 - 2023 / 24 Budget and Medium-Term Financial Strategy, due to be considered at this meeting:

- Capital and Investment Strategies for 2023 / 24 and Minimum Reserve Statement 2023 / 24;
 - Medium-Term Financial Strategy 2023 / 24 – 2025 / 26;
 - Revised 2022 / 23 Estimates, Original 2023 / 24 Budget Estimates and Council Tax 2023 / 24;
 - Treasury Management 2023 / 24.
- c) Strategy and Resources Committee - 9 February 2023 (continuation of the meeting held on 26 January) (Pages 61 - 96)

Agenda Item 16 – Statement of Consultation – Local Development Plan Review: Issues and Options Document

RECOMMENDED that the Statement of Consultation on the Maldon District Local Development Plan Review - Regulation 18 Issues and Options Document attached as **APPENDIX 1** be noted.

8. Minutes of Meetings of the Council

To note that since the last Council, up until Tuesday 14 February 2023 (Council agenda dispatch) the following Committees have met, and to receive any questions in

For further information please see [the Council's website](#).

accordance with Council and Committee Procedure Rule 6 (2).

South Eastern Area Planning Committee	7 December 2022
North Western Area Planning Committee	11 January 2023
South Eastern Area Planning Committee	18 January
Central Area Planning Committee	25 January
District Planning Committee	2 February
North Western Area Planning Committee	8 February

9. **2023 / 24 Budget and Medium-Term Financial Strategy**

To receive a **Budget Statement from the Leader of the Council**, to consider the following reports of the Section 151 Officer (copies enclosed) and to determine the level of Council Tax.

Members' attention is drawn to the following Procedure Rules:

- **Voting** – Procedure Rule 13(5) set outs the requirement for any vote taken at a budget decision meeting (as defined by the Local Government Finance Act 1992) to be recorded in the Minutes.
 - **Budget Speech** – Procedure Rule 1(13)(a) sets out the time limits in relation to the budget speech and (b) details the requirements for making alternative proposal or amendment as part of the Budget and Council Tax setting.
- a) Capital and Investment Strategies for 2022 / 23 and Minimum Revenue Statement 2023 / 24 (Pages 97 - 128)
- b) Treasury Management Strategy 2023 / 24 (Pages 129 - 178)
- c) Revised 2022 / 23 and Original 2023 / 24 Budget Estimates and Council Tax 2023 / 24 (Pages 179 - 212)
- d) Council Tax 2023 / 24 (Pages 213 - 222)
- e) Medium-Term Financial Strategy 2023 / 24 to 2025 / 26 (Pages 223 - 256)

10. **Notice of Motions**

The following Motions have been submitted in accordance with Procedure Rule 4.

- a) Motions from Councillor K M H Lagan (Motion 01/2023) (Pages 257 - 258)

In accordance with notice duly given under Procedure Rule 4, Councillor K M H Lagan to move the following Motion, duly seconded by Councillor W Stamp.

Motion 1:

Pre-Amble

With regard to the proposed paper that is coming to council on 12th January 2023, and the proposed service delivery amendments contained within, the time is right to undertake a review to consider options of the formation of the CLT and leadership model in operation at MDC to support the internal and external agendas, and that officers are charged with scoping out a prepared brief so that external support can be sourced to provide bench makings and options for review by full council.

For further information please see [the Council's website](#).

Motion:

“Members are requested to endorse the above approach with a report being made to Council on options before or by April 2023.

Motion 2:

“That council removes all restrictions on public access to meetings in the chamber and if there are more members of the public attend and cannot be accommodated in the chamber, that the Northey Room is made available to them to view the meeting on screen. This is to be made in accordance with the requirements of the Equality Act and access requirements and any applicable health and safety requirements.”

Further detail submitted with the above Motions is attached.

b) Motions from Councillor K M H Lagan (Motion 02/2023) (Pages 259 - 260)

In accordance with notice duly given under Procedure Rule 4, Councillor K M H Lagan to move the following Motions, duly seconded by Councillor W Stamp.

Motion 1:

Members review the provision of land supply data and build out rates on a qtlly basis and that the annual land supply statement is reviewed and agreed by council prior to publication.

Motion 2:

That council returns to an open-door policy from 09:00 – 4:00pm daily (Monday to Friday) and has a fully staffed front desk presence that can direct visitors to officers who can assist in resident enquiries.

Further detail submitted with the above Motions is attached.

c) Motions from Councillor A S Fluker (Motion 03/2023) (Pages 261 - 262)

In accordance with notice duly given under Procedure Rule 4, Councillor A S Fluker to move the following Motions, duly seconded by Councillor P L Spenceley.

Motion 1a:

That due to the urgency of the situation, at its meeting on 22nd February 2023 Council resolves to agree that contrary to the Rules of Procedure that motion 1B is put to Council at this time.

Motion 1b:

That at its meeting on 22nd February 2023 Council declares a ‘Homeless Crisis’ and resolves to agree that at the next meeting of Council the Corporate Leadership Team presents an updated strategy to reduce homelessness in the District.

Further detail submitted with the above Motions is attached.

d) Motions from Councillor A S Fluker (Motion 04/2023) (Pages 263 - 266)

In accordance with notice duly given under Procedure Rule 4, Councillor A S Fluker to move the following Motions, duly seconded by Councillors K M H Lagan and W Stamp.

Motion One:

That at its meeting on 22nd February 2023 Council resolves to agree that in the event of the Chairman of the Council refusing to accept any one of Motions One to Eight the reasons why and the subject of the motions are reported by him to Council on 22nd February 23.

Motion Two:

That at its meeting on 22nd February 2023 Council resolves to agree that Part 4 Rules of Procedure Rule 1(m) be annulled and is replaced with the following words "Questions (which may be made without notice) to the Leader of the Council (or in his/her absence the Deputy Leader) for a maximum of 15 minutes.

Motion Three:

That at its meeting on 22nd February 2023 Council resolves to agree that the Head of Paid Service reviews the scheme whereby members of staff are currently allowed to work from home and reports back to Council with his recommendations by 30th March 2023

Motion Four:

That at its meeting on 22nd February 2023 Council resolves to agree that Part 4 Rules of Procedure, Regulation of business and duration of meetings Rule (6) be annulled and is replaced with the following words). "Other than with the agreement of the Council (or where appropriate its committees and Sub-Committees) all business shall cease at 10pm"

Motion Five:

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the new Administration in May 2023 that during the period of BST (British Summer Time) Council (and its Committee's and Sub-Committees) commence meetings at 7.30pm and that during the period of GMT (Greenwich Mean Time) Council (and its Committee's and Sub-Committees) commence meetings at 7.00pm

Motion Six:

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the new Administration in May 2023 the Strategy and Resources and Performance Governance and Audit Committees meet subject to business being available to consider eight times per municipal year.

Motion Seven:

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the next Municipal Year a Committee Service Officer attends all meetings of Council (including its Committees and Sub-Committees) in person.

Motion Eight:

That at its meeting on 22nd February 2023 Council resolves to agree that the Overview and Scrutiny Committee reviews the Procurement Exemption published at Agenda Item 18 paragraph 3.5.1 of the Strategy and Resources Committee Meeting 26th January 2023.

Further detail submitted with the above Motions is attached.

- e) Motion from Councillor P L Spenceley (Motion 05/2023) (Pages 267 - 268)

In accordance with notice duly given under Procedure Rule 4, Councillor P L

Spenceley to move the following Motion, duly seconded by Councillors K M H Lagan, R H Siddall and A S Fluker.

Motion:

That at its meeting on 22nd February 2023 Council resolves to agree to work in a proactive manner to engage with all appropriate authorities to pursue the realisation of a flood alleviation scheme for Heybridge and that, with this in mind, it recognises the need for invitation to involvement of all Heybridge ward members and other members as appropriate through the formation of a Heybridge Flood Alleviation Scheme Working Group.

Further detail submitted with the above Motion is attached.

11. **Questions in accordance with Procedure Rule 6(3) of which notice has been given**

12. **Business Rates Discretionary Rate Relief Scheme** (Pages 269 - 320)

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

13. **District and Parish Council Elections - 4 May 2023 - Polling Stations** (Pages 321 - 322)

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

14. **Approval of Absence Relating to a Member** (Pages 323 - 324)

To consider the report of the Monitoring Officer, (copy enclosed).

15. **Corporate Plan Draft 2023 - 2027** (Pages 325 - 352)

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

16. **Business by reason of special circumstances considered by the Chairman to be urgent**

17. **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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 2 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

18. **Minute Book (Continued)**

To consider the recommendation coming forward from the Committee detailed below. Please note that the Minutes of this meeting are not enclosed as they have not been approved at Committee level.

a) **Overview and Scrutiny Committee - 24 January 2023**

Item 13 – Notice of Motion Referral – Conduct Issue

RECOMMENDED that the Council was informed of this Committee's conclusion that the matters raised in the motion do not require to be added to

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.

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

Please be advised of the different levels of flooring within the Council Chamber.

Closed-Circuit Televisions (CCTV)

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

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**MINUTES of
COUNCIL
15 DECEMBER 2022**

PRESENT

Chairman Councillor R G Boyce MBE

Vice-Chairman Councillor S P Nunn

Councillors M G Bassenger, V J Bell, Mrs P A Channer, R P F Dewick,
M F L Durham, CC, M R Edwards, Mrs J L Fleming, CC,
A S Fluker, M S Heard, M W Helm, B B Heubner, A L Hull,
J V Keyes, K M H Lagan, C P Morley, N G F Shaughnessy,
R H Siddall, N J Skeens, P L Spenceley, W Stamp, CC,
E L Stephens, Mrs J C Stilts, C Swain, Mrs M E Thompson
and S White

442. CHAIRMAN'S NOTICES

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

443. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Miss A M Beale, B S Beale MBE, C Mayes and S J N Morgan.

444. MINUTES - 3 NOVEMBER 2022

RESOLVED that the Minutes of the Council meeting held on 3 November 2022 be approved and confirmed.

445. MINUTES - 3 NOVEMBER 2022 (EXTRAORDINARY MEETING)

RESOLVED that the Minutes of the extraordinary Council meeting held on 3 November 2022 be approved and confirmed.

446. DECLARATION OF INTEREST

Councillor Mrs P A Channer declared that in relation to Agenda Item 19a – Strategy and Resources Committee – 28 November 2022 she was a member of the Crohn's and Colitis UK Charity and should a particular matter come up during the discussion of this item she would leave the chamber.

447. PUBLIC QUESTIONS

None had been received.

448. CHAIRMAN'S ANNOUNCEMENTS

The Chairman highlighted a number of events he had recently attended including hosting a party at the Plume School for Ukrainian children.

Councillor A S Fluker raised a point of order at this point referring to Procedure Rule 1(6)(i) regarding the length of meetings. He proposed that the Council did not take any business after 10pm unless it was confident that it could be dealt with by 10:30pm, referring to the predicted freezing temperatures, those having to work the following day and in particular those staff in attendance. In response the Chairman advised that he was hoping the meeting could finish by 9:30pm, however it would be the Chairman's discretion as to what time the meeting finished.

449. STRATEGY AND RESOURCES COMMITTEE - 10 NOVEMBER 2022

Councillor Miss S White, Chairman of the Strategy and Resources Committee presented the recommendations coming forward from her Committee to the Council. These were duly seconded and agreed.

Agenda Item 8 – Discretionary Fees and Charges

RESOLVED

- (i) that the detailed Fees and Charges for 2023 / 24 (as set out in Appendix A to the Minutes of the Strategy and Resources Committee), be agreed;
- (ii) that the inflation rate be applied to those Fees and Charges as detailed in Appendix B to the Minutes of the Strategy and Resources Committee.

450. MINUTES OF MEETINGS OF THE COUNCIL

The Council noted the list of Committees that had met before and since the last meeting of the Council, up until Wednesday 7 December 2022 for which Minutes had been published.

In respect of the Performance, Governance and Audit Committee meeting held on 17 November, Councillor A S Fluker raised a question regarding Minute 412 – Internal Audit Report. He referred to the discussion at the meeting relating to cyber security and fraud and asked the Chairman of the Committee to provide further information regarding this and why some information had been withheld from the public. In response Councillor W Stamp, Chairman of the Performance, Governance and Audit Committee advised she was unable to provide that detail at this time but would provide a written response to all Members.

451. NOTICE OF MOTIONS

The Chairman referred to the following Motions, which in accordance with notice duly given under Procedure Rule 4 has been submitted by Councillor A S Fluker, duly seconded by Councillor M W Helm.

Motion One:

That at its meeting on 15 December Council resolves to agree that given the likely public interest, save as regard those items that fall specifically under Part I of Schedule 12A of the Act, all other items of 'Budget Savings' that are presented to Council on 15 December be considered when the meeting of the Council is open to the public.

Motion Two:

That at its meeting on 15 December Council resolves in the interests of best value, the reduction of the Councils deficit and the advent of digital technology that with immediate effect the Members Special Responsibility Allowances are reduced by 50%

Motion Three:

That at its meeting on 15 December Council resolves to agree at its next meeting to consider, review and comment on the 'Rejected Savings Options' of £651,000, which were presented by CLT and Tier 2 Managers to the meeting of the Strategy & Resources Committee on 28 November.

Motion Four:

That at its meeting on 15 December Council resolves to agree that in the event of the Chairman of the Council refusing to accept Motions 1,2 and 3 the reasons why are reported by him to Council on 15 December.

The Chairman then provided Councillor Fluker with the following information regarding each of his Motions.

- **Motion One** – This would be addressed when the Council considered whether the report was exempt information and should be dealt with as private and confidential. The Chairman advised Councillor Fluker that he could therefore present this Motion at Agenda Item 18 – Exclusion of Public and Press and in connection to Agenda Item 19A – Strategy and Resources Committee 28 November 2022.
- **Motion Two** – This related to Agenda Item 12 – Report of the Independent Remuneration Panel which included recommendations to change Members' allowances from May. The Chairman advised that this did not prevent Councillor Fluker from presenting his motion as part of the revision to Members' allowances.
- **Motion Three** – This formed part of the savings at Agenda Item 19A – Strategy and Resources Committee 28 November 2022 and rejected savings options were detailed within the documents circulated.
- **Motion Four** – The Chairman advised he had answered this, but Councillor Fluker had the right to continue with that Motion.

In response Councillor Fluker advised that the purpose of Motion Four related to openness and transparency and in light of the information provided by the Chairman he withdrew that Motion.

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

There were none.

453. REPORT OF THE INDEPENDENT REMUNERATION PANEL

The Council considered the report of the Director of Resources updating Members on a recent review of Members' Allowances which had taken place in August 2022 by an Independent Remuneration Panel (IRP) who had made recommendations to the Council for consideration.

The report outlined the considerations and recommendations of the IRP. Appendix 3 to the report detailed the benchmarked awards paid by neighboring Councils. It was noted that Members had been consulted in August 2022 regarding the proposed changes and the results of the survey were summarized in Appendix 4. In addition, the IRP had recommended that a new Members' Allowance Policy (Appendix 1 to the report) be adopted.

In respect of the proposed removal of broadband allowances for Members it was noted that the IRP had suggested consideration be given to exceptions for special circumstances. It was noted that the savings from removal of the broadband allowance could be used to provide a budget for the proposed Maternity, Paternity, Share Parental Leave and Adoption Policy (attached as Appendix 2 to the report).

The Leader of the Council presented the report and proposed that the recommendations as set out in the report be agreed. This was duly seconded.

Councillor Mrs M E Thompson proposed an amendment that a further recommendation be added, that the Council refers the Special Responsibility Allowances to the Independent Remuneration Panel for deal with since they were independent and, in a position, to look at everything. This proposal was duly seconded.

In response to a query regarding the proposed amendment, specifically on whether it would impact any decision relating to a similar a matter in a report later on the agenda, the Chairman advised that the amendment was correct.

The Council debated the proposed amendment and in response to comments raised the Director of Resources advised:

- The IRP had recommended removal of the broadband allowance and consideration be given to setting aside some of these monies for those in hardship. It was noted that although no scheme was proposed this could be brought forward for formal agreement. During the discussion regarding broadband allowance, it was noted that most people now had broadband, however some concern was raised that removing it could have an impact on some Members.
- With regards to Members' expenses policy, there had been a survey undertaken of Members allowances which currently link to Council directed activities. Members had to consider if they felt the current wording 'official duties' was acceptable or whether they wished to make recommended changes to it.

During the debate a number of Members highlighted the work they carried out in their role as a Member of the Council outside of attending Council meetings.

Following further discussion, the Leader of the Council confirmed she was happy to accept the proposed amendment.

In accordance with Procedure Rule No. 13 (3) Councillor M W Helm requested a recorded vote. This was duly seconded.

Councillor R H Siddall proposed that recommendation (ii) in the report to remove broadband allowances not be agreed. This proposal was duly seconded.

The Chairman advised he was dealing with the proposed amendment from Councillor Mrs Thompson and put this to the vote. The voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, M F L Durham, M R Edwards, Mrs J L Fleming, A S Fluker, M S Heard, B B Heubner, A L Hull, J V Keyes, C P Morley, S P Nunn, N G F Shaughnessy, R H Siddall, E L Stephens, C Swain, Mrs M E Thompson and S White.

Against the recommendation:

Councillors M W Helm, K M H Lagan and W Stamp.

Abstentions:

Councillors M G Bassenger, V J Bell, R G Boyce, R P F Dewick, N J Skeens, P L Spenceley and Mrs J C Stilts.

The Chairman declared that the amendment was therefore carried and became part of the substantive motion.

Councillor Siddall repeated his earlier proposal that the broadband allowance not be withdrawn. The Chairman put this amendment to the Council and upon a vote being taken this was duly agreed.

The Chairman then put the substantive motion (without the withdrawal of the broadband allowance and Special Responsibility Allowance being referred to the IRP). A recorded vote was taken and the voting was as follows:

For the recommendation:

Councillors M G Bassenger, V J Bell, Mrs P A Channer, M F L Durham, M R Edwards, M S Heard, B B Heubner, A L Hull, J V Keyes, C P Morley, S P Nunn, N G F Shaughnessy, R H Siddall, E L Stephens and Mrs M E Thompson.

Against the recommendation:

Councillors A S Fluker, M W Helm, K M H Lagan, N J Skeens, W Stamp, Mrs J C Stilts and C Swain.

Abstentions:

Councillors R G Boyce, R P F Dewick, Mrs J L Fleming, and P L Spenceley.

The Chairman declared that this was therefore agreed.

RESOLVED

- (i) that the Council supports the recommendation of the Independent Remuneration Panel and Members' allowances increase in line with average staff pay increases from 2023 as set out in section 3.6 of the report;

- (ii) That the types of expenses that Members can claim be detailed in the new Members' Allowance Policy under 'Approved Duties' section of Appendix 1 to the report;
- (iii) That the newly drafted Members' Allowance Policy (Appendix 1 to the report) and Maternity, Paternity, Shared Parental Leave and Adoption Policy (Appendix 2 to the report) are adopted.
- (iv) That Special Responsibility Allowances are referred to the Independent Remuneration Panel for review.

Councillor S White left and rejoined the meeting during this item of business.

454. MEMBER TRAINING CRITERIA

The Council considered the joint report of the Director of Resources and Director of Strategy, Performance and Governance proposing Members' consideration of a criteria for fairly managing individual Member training approaches, along with a process for how this would be administered.

The report provided background information in relation to Member training since the Council's decision in 2020 to adopt a draft training plan and mandatory training for a number of areas. Appendix A to the report provided a clear criteria for future training needs for Members' consideration.

Members were reminded that the Council had deferred decision on this matter at its meeting on 8 September 2022 requesting that the Member Training and Development Working Group (the Working Group) review the matter. The Working Group had requested that the approach for ad-hoc training requested included consultation with the Working Group. Members were advised that this had been reflected in the updates to the report.

The Leader of the Council presented the report and put the recommendations set out within it to the Council.

In response to concern raised regarding the proposed budget for Member training the Director of Resources highlighted how the Council had access to other courses through its Local Government Association subscriptions and treasury management training formed part of the budget with the Council's treasury management advisors. He advised that if there was insufficient budget for required training a request for additional funding could be submitted.

Councillor A S Fluker proposed that recommendation (iii) be amended and the budget for Members' allowance be increased to £6,200. He also suggested that dates for Member's training, specifically new Members, after the forthcoming election should come forward early. This proposal was duly seconded.

In response, the Director of Strategy, Performance and Governance advised that a training plan for new Members was already scheduled and in place. The Council was intending that this be circulated to all candidates in advance of the election to ensure they were aware of potential training dates ahead of the election.

Councillor R H Siddall highlighted the work undertaken by the Member Training Working Group in respect of onboarding for new Members. He commended the work of the Programmes, Performance and Governance Manager and advised how the pack created would be invaluable to anyone thinking of standing at the election.

Further debate ensued and Members highlighted the importance of adequate training for all Members. The budget for Member training was further discussed with some Members requesting further detail of the actual proposed costs for mandatory training such as planning.

Councillor Fluker repeated his earlier proposal to increase the budget to £6,200 which would equate to £200 per Member.

In response to a question regarding the staff training budget figures, the Chairman advised that this information was not available.

The Chairman then moved the proposed amendment in the name of Councillor Fluker. In response to a Point of Order from Councillor C Swain the Chairman confirmed that the amendment could be considered.

In accordance with Procedure Rule No. 13 (3) Councillor A S Fluker requested a recorded vote. This was duly seconded.

The Council then voted on the amendment and the voting was as follows:

For the recommendation:

Councillors V J Bell, Mrs P A Channer, M L F Durham, M R Edwards, Mrs J L Fleming, A S Fluker, M S Heard, M W Helm, B B Heubner, A L Hull, J V Keyes, K M H Lagan, C P Morley, S P Nunn, N G F Shaughnessy, N J Skeens, P L Spenceley, W Stamp, Mrs J C Stilts and S White.

Against the recommendation:

Councillor M G Bassenger.

Abstention:

Councillors R G Boyce, R P F Dewick, R H Siddall, E L Stephens, C Swain and Mrs M E Thompson.

The Chairman declared that this amendment was duly agreed and now formed part of the substantive motion.

The Chairman then moved the recommendations advising that in recommendation (ii) after 'approved criteria' the words 'and budget of £6,200' would be inserted. This was duly agreed.

RESOLVED

- (i) That the criteria as set out at Appendix A to the report be approved as a process when addressing individual training queries;
- (ii) That the Programmes, Performance and Governance Manager is authorised to establish an annual training programme of Members in accordance with the approved criteria and budget of £6,200, in consultation with the Member Training Working Group.

455. ADJOURNMENT OF THE MEETING

RESOLVED that the meeting be adjourned for a short break at 8:56pm.

456. RESUMPTION OF BUSINESS

RESOLVED that the meeting of the Council resume in open session at 9:06pm.

457. AREA PLANNING COMMITTEES REVIEW

The Council considered the report of the Director of Strategy, Performance and Governance seeking a review of Planning Committee arrangements and for the Council to confirm whether future approach would include Area Planning Committees or a single Planning Committee.

The report provided background information regarding APCs and the results of a recent review of planning Committees at Maldon undertaken by the Planning Advisory Service (PAS) which included a number of recommendations for consideration by the Council. The recommendations of the PAS were considered by the Council in August 2021. However, the Corporate Governance Audit in July 2022 found that the PAS recommendations were not properly considered and a review of this matter was recommended.

It was noted that there were a number of governance concerns and financial impact relating to APCs and the high level detail of these were detailed in the report.

The Leader of the Council presented the report and put the recommendations set out at section 2.

Prior to consideration of the report the Director of Strategy, Performance and Governance highlighted a number of points set out within the report to the Council. It was noted that in reference to the work being undertaken by the Overview and Scrutiny Committee (detailed at paragraph 3.8 to the report), no final report or conclusions had yet been brought forward by that Committee. Members were advised that Steve Barker from PAS / Local Government Association (LGA) was in attendance and the Director invited him to explain to the Council the benefits of a single planning committee to not only the Council but Members and District wide. Mr Barker gave a detailed presentation highlighting a number of key benefits and how a single committee would allow Ward Members to become a strong advocate for their residents and represent them at the Committee. Mr Barker also referred to the Council's appeal performance in his presentation and set out a number of ways the PAS could assist the Council. It was noted that a copy of the presentation had been circulated to Members in advance of the meeting.

Councillor A S Fluker raised a point of clarity regarding paragraph 3.3 of the report which stated it was a level requirement for all Members to have reviewed the paper prior to attending a meeting. He advised of correspondence between himself and the Monitoring Officer and questioned how this legal requirement was enforced. In response the Monitoring Officer advised that the Code of Conduct did not detail any explicit requirement for Members to read papers and reminded Members of advice he had previously circulated to Members regarding this matter.

Councillor R H Siddall proposed that recommendation (ii) be amended to a 15 seat Planning Committee with eight substitutes and should recommendation (ii) fail that this matter be postponed for six months until after the next election. This proposal was duly seconded.

A lengthy debate took place, during which Members raised and debated a number of comments both in favour and against the proposed changes. Particular reference was

made to Members representing local residents and how the majority of correspondence received related to Planning.

Councillor P L Spenceley felt that the Parish and Town Councils should be consulted on this and then proposed that a Working Group be set up to look at the planning decision making process. This proposal was not supported.

Councillor A S Fluker provided some background information regarding planning and proposed that the current arrangements remain. The Chairman advised that he could not make such a proposal as there was an amendment currently being debated.

In accordance with Procedure Rule No. 13 (3) Councillor K M H Lagan requested a recorded vote.

The Chairman put the proposed amendment in the name of Councillor Siddall and the vote was as follows:

For the recommendation:

Councillors M G Bassenger, Mrs P A Channer, M F L Durham, M R Edwards, Mrs J L Fleming, M S Heard, B B Heubner, N G F Shaughnessy, R H Siddall, E L Stephens, C Swain and Mrs M E Thompson.

Against the recommendation:

Councillors V J Bell, R P F Dewick, A S Fluker, M W Helm, A L Hull, J V Keyes, K M H Lagan, C P Morley, S P Nunn, P L Spenceley, W Stamp, Mrs J C Stilts and S White.

Abstention:

Councillors R G Boyce and N J Skeens.

The Chairman declared that the amendment was therefore not agreed. He then put the recommendations as set out in the report.

Councillor S White proposed that the Council stay with three Area Planning Committees. This proposal was duly seconded. The Chairman advised that this proposal could not be accepted as Members had to vote on the recommendations.

In accordance with Procedure Rule No. 13 (3) Councillor A S Fluker requested a recorded vote.

At this point Councillor Mrs M E Thompson gave notice that should the proposal not be agreed she would be putting a Motion that all planning applications go to one Committee, District Planning. The Chairman advised that he didn't think she could do that once the vote had been taken an amendment could not be put.

The Chairman advised the Council that it was now voting on the substantive motion, the recommendations as set out in the report.

The Leader of the Council proposed that the Council agree 31 members and a single committee. The Chairman advised that he would not consider any more motions or amendments at this time. He then moved the recommendations as set out in the report and voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, M F L Durham, M S Heard, N G F Shaughnessy, R H Siddall, E L Stephens and Mrs M E Thompson.

Against the recommendation:

Councillors M G Bassenger, V J Bell, R P F Dewick, M R Edwards, Mrs J L Fleming, A S Fluker, M W Helm, B B Heubner, A L Hull, J V Keyes, K M H Lagan, C P Morley, S P Nunn, N J Skeens, P L Spenceley, W Stamp, Mrs J C Stilts and S White.

Abstention:

Councillors R G Boyce and C Swain.

The Motion was therefore lost and the recommendations not agreed.

RESOLVED that no changes be made to the Planning Committee structure.

458. SCHEDULE OF MEETINGS 2023 / 24

The Council considered the report of the Director of Strategy, Performance and Governance presenting for Members' consideration, a draft schedule of meetings for 2023 / 24 (attached as Appendix 1 to the report). It was noted that Appendix 2 provided a framework for meetings should the wider Area Planning Committee report be adopted.

The Leader of the Council presented the report, highlighting the previous decision of the Council regarding Area Planning Committees. She moved that recommendation (i) as set out in the report (along with Appendix 1) be agreed.

Councillor A S Fluker raised a number of points for consideration including the number of Programme Committee meetings scheduled in comparison to the size of agendas, start time of meetings and the length of agendas. He then proposed that this meeting be adjourned. The Chairman advised Councillor Fluker he could not do that as it was the Chairman's discretion.

The Chairman put recommendation (i) to the Council and this was duly agreed.

RESOLVED that the Schedule of Meetings for the 2023 / 24 municipal year be approved as set out in Appendix 1 to the report.

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

The Chairman advised that in accordance with Procedure Rule 1(3)m as it was past 10:00pm this item of business would not take place.

There then followed some discussion regarding continuing with the remaining business of the meeting given the time. Following which the Chairman closed the meeting.

The Chairman closed the meeting at 10.34 pm.

R G BOYCE MBE
CHAIRMAN



MINUTES of COUNCIL

12 JANUARY 2023 (CONTINUATION OF THE MEETING HELD ON 15 DECEMBER 2022)

PRESENT

Chairman Councillor R G Boyce MBE

Vice-Chairman Councillor S P Nunn

Councillors M G Bassenger, V J Bell, Mrs P A Channer, R P F Dewick,
M R Edwards, Mrs J L Fleming, CC, A S Fluker, M S Heard,
M W Helm, J V Keyes, K M H Lagan, C Mayes,
S J N Morgan, C P Morley, R H Siddall, P L Spenceley,
W Stamp, CC, C Swain and Mrs M E Thompson

1. CONTINUATION OF 15 DECEMBER 2022 MEETING IN OPEN SESSION

RESOLVED that the meeting of the Council on 15 December 2022 resume in open session.

At this point the Chairman advised that Councillor B S Beale was unwell and sent him best wishes from all Members.

The Chairman informed the Council of the recent death of past Councillor John Cocking. He had served the Council for a period of eight years and had been a Councillor for Heybridge East from 1987 to 1995.

Members were reminded by the Chairman that they had declared interests at the start of the meeting on 15 December 2022, but should any further arise these could be declared throughout the meeting.

The Chairman advised that the Council would continue its discussions from Agenda Item 17 – Business by reason of special circumstances considered by the Chairman of the Council to be urgent.

2. BUSINESS BY REASON OF SPECIAL CIRCUMSTANCES CONSIDERED BY THE CHAIRMAN TO BE URGENT

Councillor A S Fluker proposed that the Chairman and Leader of the Council send a card to Councillor B S Beale on behalf of all Members. This was agreed.

Referring to the last Council meeting, Councillor Fluker requested that should this meeting lasted until 10:30pm that any decision to adjourn or continue sat with Members. He suggested that for the forthcoming budget meeting that provision be made for an additional meeting date should this run past 10:30pm.

There was some discussion regarding Agenda Item 16 – Questions to the Leader of the Council in accordance with Procedure Rule 1 (3)(m) and some Members requested that this item be considered at this meeting. In response the Chairman advised that

this meeting was a continuation of 15 December 2022 Council meeting and his ruling was that the Council could not go back and consider that item of business.

The Chairman advised that he had no urgent items of business.

3. EXCLUSION OF THE PUBLIC AND PRESS

The Chairman proposed that the public be excluded from the meeting for reasons that the following items of business involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act, and that this satisfies the public interest test. This proposal was duly seconded.

Councillor A S Fluker referred to the recommendations coming forward under Agenda Item 19A Strategy and Resources Committee – 28 November 2022 and in particular a number of savings items that felt there was no reason for them to be discussed in private session. He proposed that with the exception of the first item on page 123 of the Agenda pack that all other items, in the best interest of the public, transparency and openness be considered in public session as to do otherwise would be contrary to the Local Government Act. This proposal was duly seconded. The Chairman confirmed that this was an amendment to his earlier proposition.

The Monitoring Officer provided the Council with some explanation regarding Paragraph 3 of the of Part 1 of Schedule 12A to the Act and the tests (including the public interest test) which had to be considered when agreeing to consider an item of business in private session. He commented that there may be matters within Agenda Item 19 which Members may wish to debate individually but also access the merits of those items against other savings identified which were not being considered in open session. This would therefore require all items to be discussed within private session.

In accordance with Procedure Rule No. 13 (3) Councillor A S Fluker requested a recorded vote. This was duly seconded. The Chairman put the proposed amendment to his motion in the name of Councillor Fluker to the Council and the voting was as follows:

For the recommendation:

Councillors R P F Dewick, A S Fluker, M W Helm, K M H Lagan and W Stamp.

Against the recommendation:

Councillors R G Boyce, Mrs P A Channer, M R Edwards, Mrs J L Fleming, M S Heard, J V Keyes, C Mayes, S J N Morgan, C P Morley, S P Nunn, R H Siddall, P L Spenceley, C Swain and Mrs M E Thompson.

Abstention:

Councillors M G Bassenger and V J Bell.

The Chairman declared that the amendment was therefore not agreed.

The Chairman then moved his earlier proposition and upon a vote being taken this was agreed.

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

4. STRATEGY AND RESOURCES COMMITTEE - 28 NOVEMBER 2022 (CONTINUATION OF THE MEETING ON 10 NOVEMBER 2022)

Councillor Mrs P A Channer advised the Council that at the last meetings of the Strategy and Resources Committee and the Council and in relation to this item of business she had declared she was a member of a the Crohn's and Colitis UK Charity and should a particular matter come up during the discussion of this item she would leave the chamber. Councillor Mrs Channer reported that since the last Council meeting the Monitoring Officer and Independent Person had granted her a dispensation and she would therefore remain in the chamber and partake in this item of business.

Agenda Item 22 – Savings Proposals 2023 / 24

In the absence of the Chairman and Vice-Chairman of the Strategy and Resources (S&R) Committee the Leader of the Council presented and moved the recommendations coming forward from Committee to the Council. This proposal was duly seconded.

During the discussions that followed Councillor A S Fluker referred to a number of specific savings identified and proposed that these be agreed. This proposal was not supported.

The Leader of the Council advised Members that Appendix 2 in relation to car parking had been agreed by the Council at its meeting on 15 December 2022.

Following some further debate the Chairman moved the proposal in the name of the Leader of the Council and upon a vote being taken this was duly agreed.

RESOLVED

- (i) that the saving options at Appendix 1 to the Strategy and Resources (S&R) Committee report* be approved;
- (ii) that the following saving options as detailed in Appendix 2 to the S&R Committee report* be implemented:

No.	Service / Detail
1	Service Delivery – Service
4	Performance and Governance – Budgets
6	Service Delivery - Service
7	Service Delivery – Utility charges
8	Service Delivery – Rent

5. COMMERCIAL PROJECT UPDATE

The Council considered the report of the Director of Resources seeking Members' agreement of the principle of purchasing and disposing of land for the purposes of:

- (i) providing a Capital and/or Revenue return for Maldon District Council to utilise for other district needs; and
- (ii) providing a residential development which will bring much needed affordable housing to the district.

The report also sought to ensure that critical and time sensitive decisions in 2023 regarding the approval of funding, purchase, and sale of the land (subject to planning

approval) could be made in a timely manner and before the expiry of the option agreement.

The Commercial Manager presented the report and outlined the benefits to the Council. The Chairman reminded Members that they were only considering the commercial elements and not any planning issues.

During the debate that followed some Members raised concerns regarding the proposal, and in response Officers provided further clarification and additional information. It was confirmed that the Option Agreement currently ran until April / May 2024.

Following further discussion, Councillor A S Fluker proposed that both recommendations be discounted and that subject to planning permission being granted this matter come back to the Council to review figures. However, should planning permission not be not granted the Council should appeal the decision. This was not supported.

The Leader of the Council summed up the report referring to some of the discussions that had taken place and moved that the recommendations as set out in the report be agreed. This was duly seconded.

Councillor Fluker proposed that recommendations (i) and (ii) not be agreed and after the planning application was considered by the District Planning Committee the matter came back to the Council to consider the next steps.

The Chairman put the recommendations as set out in the report. In accordance with Procedure Rule No. 13 (3) Councillor S J N Morgan requested a recorded vote and the voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, Mrs J L Fleming, J V Keyes, S J N Morgan, C P Morley, C Swain and Mrs M E Thompson.

Against the recommendation:

Councillors M G Bassenger, V J Bell, R G Boyce, R P F Dewick, M R Edwards, A S Fluker, M S Heard, M W Helm, K M H Lagan, C Mayes, S P Nunn, R H Siddall, P L Spenceley and W Stamp.

Abstention:

None.

The Chairman advised that this motion was therefore not agreed.

Councillor Fluker proposed that the matter proceed to planning application stage. This proposal was duly seconded.

Councillor R H Siddall proposed that the project be cancelled. This was not supported.

The Chairman reminded the Council of the proposal from Councillor Fluker and explained that if agreed the matter would come back to the Council after the decision on the related planning permission had taken place. He then put this to a vote.

In accordance with Procedure Rule No. 13 (3) Councillor K M H Lagan requested a recorded vote and the voting was as follows:

For the recommendation:

Councillors Mrs P A Channer, A S Fluker, M W Helm, J V Keyes, S J N Morgan, C P Morley, W Stamp, C Swain and Mrs M E Thompson.

Against the recommendation:

Councillors M G Bassenger, M R Edwards, M S Heard, K M H Lagan, C Mayes, S P Nunn, R H Siddall and P L Spenceley.

Abstention:

Councillors V J Bell, R G Boyce, R P F Dewick and Mrs J L Fleming.

The Chairman advised that the motion was therefore agreed.

RESOLVED that the Council proceeds with the planning application in relation to this Commercial Project and following planning decision further details be brought back to the Council for determination.

6. NORTH ESSEX ASSOCIATION OF COUNCILS

The Council considered the report of the Director of Strategy, Performance and Governance updating Members on discussions between North Essex Local Authorities regarding forming an Association to enable closer working and collaboration. The Council was requested to consider agreeing the Memorandum of Understanding (attached as Appendix 1 to the report).

The report provided background information regarding the proposed Association and highlighted the key opportunities it would provide for the Council.

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

The Director of Strategy, Performance and Governance outlined the content of the report and advised that the Memorandum of Understanding would not affect the sovereignty of any of the partners but sought to bring closer collaboration.

The Leader of the Council highlighted the work of the North Essex Economic Board and the benefits the proposed Association would have to the Council. She noted that the Memorandum of Understanding had a termination clause and moved the recommendations as set out in the report. The Chairman put the proposal in the name of the Leader and this was duly agreed.

RESOLVED

- (i) That Members note the update on the proposed Association of Councils;
- (ii) That Members agree that Maldon District Council sign the Memorandum of Association for the North Essex Association of Local Councils (attached as Appendix 1 to the report).

7. COMMERCIAL OPTIONS FOR PRINCES ROAD

The Council considered the report of the Director of Resources providing an update on progress made with the Commercial Options for the Princes Road, Maldon project following approval to commence with the feasibility review by the Council on 31 March 2022.

The Leader of the Council presented the report and moved that the recommendations as set out in the report be agreed.

Councillor K M H Lagan declared that he was a member of Adult Community Learning.

A debate ensued and in response to a number of comments raised, the Commercial Manager provided the Council with a update on this project. The Chairman thanked the Commercial Manager for his report.

RESOLVED that the update be noted.

8. ADJOURNMENT OF THE MEETING

RESOLVED that the meeting be adjourned for a short break at 9:25pm.

9. RESUMPTION OF BUSINESS IN CLOSED SESSION

RESOLVED that the meeting resume in closed session at 9:34pm.

10. UPDATE ON THE MANAGEMENT OF RESOURCES

The Council considered the report of the Corporate Leadership Team (CLT) updating Members on progress relating to proposed changes in the staffing structure, presenting recommendations from CLT and seeking approval of growth requests.

The report reminded Members of the decisions made by the Council on 21 September 2022 relating to the structure of one of the Council's directorates.

The Leader of the Council presented the report and referred to the Director of Service Delivery who outlined some of the detail behind the recommendations set out on the report and the previously circulated addendum. Members were advised that the two recommendations set out on the addendum had been dealt with under emergency powers and it was noted that one applicant had been appointed.

The Leader of the Council moved the recommendations as set out in the report. This was duly seconded.

Councillor W Stamp proposed that the Council consider each of the recommendations separately. The Chairman agreed.

In discussing recommendation (i) Councillor K M H Lagan referred to the complexity and detail of the report and how it was the right time to undertake a review to consider options regarding CLT and the leadership model in operation at the Council to support the internal and external agendas, and Officers be charged to scope out a prepared brief so that external support can be sourced to provide benchmarking and options for review by the Council. He proposed that Members endorse the above approach and that a report be made to the Council on options before or by April 2023.

Following a comment by the Chairman, Councillor Lagan adding to his earlier proposal, proposing that all recommendations set out in the report be deferred.

The Chairman asked CLT to identify if there were any recommendations within the report were necessary at this time. Following a request, the Chairman adjourned the meeting to allow CLT to discuss this.

11. ADJOURNMENT OF THE MEETING

RESOLVED that the meeting be adjourned at 9:48pm to allow the Corporate Leadership Team to have a brief discussion.

12. RESUMPTION OF THE MEETING IN CLOSED SESSION

RESOLVED that the meeting resume in closed session at 9:54pm.

13. UPDATE ON THE MANAGEMENT OF RESOURCES (CONTINUED)

Following the earlier discussions, the Director of Service Delivery advised the Council that a decision on the recommendations beyond (iii) (as detailed in the report) could be delayed. The Chairman advised he intended to take recommendations (i) and (ii) and all other recommendations would be deferred to a future report to the Council.

Further discussion ensued and in response the Director of Service Delivery provided further clarification on a number of points. The Director of Resources requested that the Council also give consideration to agreeing recommendation (iv) as this linked to recommendation (i).

The Leader of the Council proposed that recommendations (i), (ii) and (iv) be agreed and the other recommendations be deferred. The Chairman put this to the Council and it was subsequently agreed. The Monitoring clarified that the Council had accepted recommendations (i), (ii) and (iv) and therefore no further resolution was needed.

RESOLVED that recommendations (i), (ii) and (iv) as set out in the report be agreed.

There being no other items of business the Chairman closed the meeting at 10.21 pm.

R G BOYCE MBE
CHAIRMAN

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Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Council Tax Support Scheme for 2023/2024	December 2022	Officer Preparing Michelle Lamarre
Background		
<p>Description of proposal / policy / service (Including aims, outcomes and in the case of an existing service how long it has been delivered in its current format)</p> <p>Council Tax Support aims to help people with low incomes to meet their Council Tax obligations, covering payment of Council Tax and Discounting of Council Tax</p> <p>The aim of Council Tax Support is</p> <ul style="list-style-type: none"> • To have a fair and equitable scheme • To maintain support for particularly vulnerable people within the constraints imposed by Government policy <p>The service areas or partner agencies involved are</p> <ul style="list-style-type: none"> • Maldon District Council • Any authority that can levy a charge to contribute to Council Tax • Any Essex Authority who is sharing the scheme • All Essex precepting authorities • Department for Work and Pensions • Department for Communities and Local Government <p>There are no proposals to change the current scheme, other than to mirror national changes</p>		
<p>Who are the users of the proposal / policy / service (Refer to data held about the users of the service i.e. numbers of users, demographic breakdown. Having this information is important to understand which sectors of the community might be affected. If that is not available refer to the demographic data held on the intranet.)</p> <p>Broadly this scheme affects those adults liable for Council Tax within the District and those on a low income and low savings</p>		

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Have users been consulted with? (Have you carried out consultation with users or stakeholders while drawing up the proposal / policy / service? For example, have you carried out a formal consultation, discussed the issue with a Friends/User Group or consulted with stakeholders? If so, outline the results and how it has informed your plans. It's also important to show whether the target audience was reached during the consultation.)

Questions relating to Council Tax Support were included in the 2022 residents budget survey and responses broadly support the current approach

No significant changes are proposed to existing policy

If the analysis is regarding an existing Service, what are user's views of that service? (Base your view on evidence such as satisfaction surveys, levels of compliments and levels of complaints).

The Revenues and benefits team is a well performing team that historically has met locally set performance targets. For the current financial year (2022-23) the team is striving to meet those targets, but continued high demand as a result of the cost of living crisis, the ongoing impact of organisational change and resource difficulties mean that those targets are likely to remain challenging.

The team continues to ensure that work is prioritised to reduce impact on our most vulnerable customers.

Equality Aims – consider how the proposal / policy / service meets the three Equality Aims listed in the Equality Act.

Aim	How does the proposal / policy / service meet the equality aim?	Action or addition needed in order that the proposal / policy / service meets the aim?
To eliminate unlawful discrimination, harassment and victimisation	<p>Higher rate disability benefits will continue to be disregarded thereby protecting those with specific long term conditions who fall within this group. Without such action to protect this group the policy could potentially be discriminatory.</p> <p>There is also an Exceptional Hardship Scheme which can assist customers with specific circumstances.</p>	None required

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Aim	How does the proposal / policy / service meet the equality aim?	Action or addition needed in order that the proposal / policy / service meets the aim?
To advance equality of opportunity between people who share a protected characteristic and those who do not	<ul style="list-style-type: none"> • Older people are protected in the policy, which follows specific Government Regulations • Parents who receive a child benefit will continue to have this disregarded as part of the CTS calculation, which is consistent with the Council's duty to safeguard and promote the welfare of children • Higher rate Disability Benefits will continue to be disregarded thereby protecting those with specific long term conditions who fall within this group • Lone Parents receive a disregard of £15 from Child Maintenance payments • A hardship fund exists to ensure provision for those residents who have exceptional circumstances. 	
To foster good relations between those who share a protected characteristic and those who do not	<ul style="list-style-type: none"> • The scheme remains means tested so the scope for discrimination is limited. All working age customers. 	

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Equality Impacts – examine how the proposal / policy / service impacts on the community. Base the analysis on evidence. Attach additional documents if necessary.					
Impacts	Positive impact (X)	Could adversely impact (X)	No impact (X)	How different groups could be affected: Summary of impacts	Actions to reduce negative or increase positive impact
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Older people (60+) are specifically protected under Government Regulations	
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Due to the protection afforded to those of pensionable age, customers of working age are impacted directly by any changes to the scheme.</p> <p>People over 18 of working age will potentially be required to pay more.</p>	<p>Parents will continue to have Child Benefit disregarded in the CTS calculation which is consistent with the Council's duty to safeguard and promote the welfare of children.</p> <p>The Council will continue to provide information and advice on income maximisation and a contracted Independent Advice Service to support residents</p>
Disability (Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	People with disabilities who are below pensionable age may need to pay more	<p>Higher Rate Disability Benefits (i.e. Disability Living Allowance) continue to be disregarded thereby protecting those with specific long term conditions.</p> <p>A hardship fund exists to ensure provision for those residents who have exceptional circumstances.</p>
Pregnancy and Maternity (Think about pregnancy, new and breastfeeding Mums)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Impacts	Positive impact (X)	Could adversely impact (X)	No impact (X)	How different groups could be affected: Summary of impacts	Actions to reduce negative or increase positive impact
Gender (is the service used more by one gender and are the sexes given equal opportunity?)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CTS is means tested and gender is not a factor in the calculation.	
Gender Reassignment (Is there an impact on people who are going through or who have completed Gender Reassignment?)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CTS is means tested and gender is not a factor in the calculation.	
Religion or belief (Includes not having a religion or belief)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CTS is means tested and gender is not a factor in the calculation.	
Sexual Orientation (What is the impact on heterosexual, lesbian, gay or bisexual people?)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CTS is means tested and gender is not a factor in the calculation.	
Race (Includes ethnic or national origins including Gypsies and Travellers)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CTS is means tested and gender is not a factor in the calculation.	
Socio-Economic Group (Will people of any particular socio-economic group be particularly affected?)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CTS is designed to help people who have restricted incomes.	A hardship fund exists to ensure provision for those residents who have exceptional circumstances.

Is there a Cumulative Impact? (If the same group is the subject of many changes or reductions the overall impact is much greater. Consider what else is happening within Maldon District Council that may have an impact and also what we know is happening elsewhere (such as Essex County Council). See Guidance for further advice.)

The requirement to introduce a local CTS scheme has been introduced via Government policy so our scheme must be reviewed each year.

Whilst the authority may choose to allocate funding to ensure full protection for all customers, to date this has not been considered financially sustainable. Results from consultation suggest that the public agree that customers claiming support should be required to pay towards council tax

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

To ensure	
Consider all the analysis and evidence above and indicate	
(1) No change needed <input checked="" type="checkbox"/> (2) Adjust <input type="checkbox"/> (3) Adverse impact but continue <input type="checkbox"/> (4) Stop, remove the proposal / policy / service <input type="checkbox"/>	
Adjustments If option (2) above is selected please detail what adjustments are needed, who is responsible and how that will be reviewed. Also outline how that will be agreed (ie Committee, CMT).	
Decision Making (How will this equality analysis be taken into account during the decision making process? For example will it be included with a report to Committee/CMT? Will it be considered at department level or by a Head of Service? How will community/stakeholders views be taken into account?) The Equality analysis will be included in the decision making process which includes consideration at Full Council 22 nd February 2023	
Next Steps	
If there was a lack of evidence or data held on which to base this assessment, how will that gap be addressed for the future? Not applicable	
Summary of actions highlighted within this analysis (Include how this will be picked up within service/work plans) None	

Maldon District Council Equality Analysis

Complete the questions below as fully as possible. The boxes will expand to accommodate your text.

Arrangements for future monitoring of equality impact of this proposal / policy / service

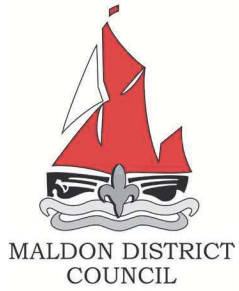
To be reviewed at least annually or where relevant changes occur which may have an impact.

Approved by (Manager or Head of Service signature and date)

Michelle Lamarre (Lead Specialist, Revenues and Benefits)

Once approved please forward this analysis to Cally Darby to arrange publication.

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Exceptional Hardship Fund for Council Tax Support Framework for Decision Making

1.0 Introduction and Background

- 1.1 The Exceptional Hardship Fund (EHF) is a local scheme introduced from 1 April 2013 and intended to provide additional financial help to residents on low incomes claiming Council Tax Support. An award made from the EHF will be referred to as an Exceptional Hardship Payment (EHP).
- 1.2 An EHP is extra money that we can pay in addition to an award of Council Tax Support (CTS) if it is considered that the customer needs extra help. The main principles of the scheme are outlined below:
- EHF is intended to provide some additional help to those customers who are suffering from severe or exceptional circumstances. It is not intended to compensate working age customers who receive less financial support just as a result of the CTS Scheme;
 - An award is to address short-term need only and should not be considered as a long-term solution to a customer's circumstances;
 - The scheme is discretionary; therefore, the customer has no statutory right to a payment;
 - All applications must be treated on their own merit, having regard to the priorities set out in this framework;
 - The scheme is administered by Maldon District Council;
 - The level of payment will be decided by the Council and administered via the Council Tax Support system;
 - Payment from the EHF is not an award of CTS and as such is not subject to the statutory appeals mechanisms. We do have a review process further information can be found in the Reviews section of this policy;
 - We have the right to amend, suspend or cancel a EHF when necessary or appropriate;
 - Total amount payable in any financial year is cash limited and therefore applications cannot be progressed once the funding is fully allocated within that financial year;
 - All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so will inevitably mean that no payment will be made.

2.0 Purpose of the EHF

- 2.1 The purpose of the fund is to:
- Prevent homelessness;
 - Alleviate poverty;
 - Safeguard residents in their home;
 - Help customers through personal crises, severe or exceptional circumstances and difficult life events such as death, family illness;
 - Assisting customers where they or their family members are sick or disabled;
 - Other reasons or circumstances not listed above where they are considered to be exceptional or severe.

3.0 How to claim

- 3.1 The main elements of claiming are as follows:
- We encourage electronic claims to be submitted wherever possible;
 - The link to the electronic claim form is on our website in the 'Making an Application' section of the Do it online page. The claim must contain sufficient evidence/information to enable the local authority to get a balanced view of the claimant's situation and circumstances.
 - A paper version of the form is available on request. The EHP application form requests the following information:
 - Reasons why financial assistance is required;

- A declaration that the information given is correct
- Authorisation for us to verify information given
- A declaration that the customer will repay any overpayment

3.2 If additional evidence is required and requested, this must be provided within one month of the request date.

3.3 As part of the process of applying for additional support from the Exceptional Hardship Fund, all applicants must be willing to undertake **all** of the following:

- Make a separate application for assistance;
- Provide full details of their income and expenditure;
- Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances more effectively including the termination of non-essential expenditure;
- Identify potential changes in payment methods and arrangements to assist the applicant;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

3.4 In addition a pre-requisite to receive a payment from the Fund is that an amount of Council Tax Support **must be in payment** for any day that an EHF payment is requested.

4.0 Who can make a claim for an EHP

4.1 We will accept claims from:

- Customers;
- Anyone acting on the customer's behalf such as an appointee, a relative or social worker and other support/advice agencies such the Council's Housing Options Team, Citizens Advice Bureau, other recognised support agency.

4.2 The claimant must be aware that an application for an EHP is being made on their behalf.

5.0 Who can claim?

5.1 Customers can be considered for an EHP if:

- they are already receiving some Council Tax Support (CTS);
- **and** they get less than the maximum CTS allowed under the scheme;
- **and** need further financial assistance with their Council Tax.

6.0 What an EHP cannot cover

6.1 An award of EHP cannot be paid in the following circumstances:

- Deductions for the recovery of Council Tax arrears or Council Tax Support overpayments;
- Reduction in any benefit as a result of Jobseeker's sanctions, Child Support Agency sanctions or sanctions following benefit related offences;
- Council Tax Support that is suspended;
- Due to hardship caused by previous proven fraudulent activity

7.0 Priority for award of EHP

7.1 The fund is cash limited, meaning that we are not able to make an award to all customers in receipt of support. Consequently, whilst claims from *any* customer will be considered, we have identified vulnerable customers whose claims will be given priority.

- Those at risk of homelessness;
- Where the customer or members of their dependant family are sick or disabled and who are entitled to a disability premium; and
- Where the household includes any children under 5 years old.

8.0 Guidelines for consideration

8.1 The following guidelines should be used to assess each case. The list is not exhaustive but will give a starting point to ensure consistent and transparent decision making.

- Is the customer claiming all of the benefits that they are entitled to?
- Is there danger of eviction and homelessness?
- Are there any social or health problems currently being faced by the customer and/or their family that could cause them extra financial costs?
- Does the customer or his dependant family have any income that is disregarded under the CTS? Is it reasonable to use that disregarded income to meet the shortfall?
- Does the customer or his dependant family have any savings or capital?
- Has the customer provided a budget statement showing his income and outgoings?
- Is there evidence to show that the customers' financial situation has been caused by or worsened by non-priority expenditure?
- Does the customer have any priority debts; these include Rent, Mortgage, fuel bills, arrears of maintenance, unpaid Income tax or VAT, and Television licence.
- What is likely to happen to the family if an EHP is not awarded?
- Are there any other fund/funding schemes available via Benevolent funds or charitable organisations that would be appropriate to use instead of an EHP.
- Is it reasonable to award an EHP having regard to the amount of unallocated budget in the EHP?

8.2 The Council will not make any allowance for the following:

- Any loss resulting from the claimant's failure or delay in claiming any income to which they are entitled;
- Any debt arising from overpayment/arrears of Council Tax;
- Any debt, which, in the opinion of the Council arises from the financial imprudence of the claimant including proven fraud.

9.0 Decision

9.1 We will write to the customer advising them of the decision. The notification will contain the following information:

Award Made

- Period of the EHP award;
- Weekly amount of EHP;
- The customers right to ask for a review/appeal of the award and the time and manner of doing so; and
- The right of the Council to amend suspend or cancel a EHP when deemed necessary or appropriate.

Application Refused

- Reason for refusal; and
- The right of the customer to ask for a review/appeal of the award and the time and manner of doing so.

10.0 Start dates

- 10.1 The start date of the EHF payment will normally be from the Monday following the date the written request was received. If a claim is received at the same time as a CTS claim the start date of the EHF can be matched to the start of CTS award.

11.0 Length of award

- 11.1 When considering an EHP claim it should be taken into account that the EHP scheme should in most cases be seen as a short-term emergency fund. Customers must be made aware that they must seek advice with regard to their housing needs and ways to manage financially in the long term. EHPs cannot be paid indefinitely.

12.0 Payments

- 12.1 An award of EHP will be paid directly into the customer's Council Tax account.

13.0 Change in circumstance

- 13.1 Customers must report immediately, in writing, any change in circumstance that might affect the amount of EHP they get. Examples of these changes include:
- If they change address;
 - If they leave their home temporarily;
 - If their income changes;
 - If the household make up changes.

14.0 Fraud and overpayments

- 14.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.
- 14.2 An applicant who tries to fraudulently claim an EHP by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 14.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.
- 14.4 We may seek recovery of an overpaid EHP in certain circumstances:
- Misrepresentation or failure to disclose a material fact, fraudulently or otherwise;
 - An error made when the claim was determined.

15.0 Reviews

- 15.1 Customers can request a review of EHP decisions. They must do this in writing within one month of the date they are notified of the decision. The customer (or appointee) must sign the review request letter. Late requests will be only considered where the Council is satisfied that there

were good reasons for the delay.

- 15.2 If a review is requested regarding the decision this will be looked at by a Senior Officer who was not involved in the original decision. The customer will be notified of the outcome of the review within 14 days.
- 15.3 Following the review the customer can submit an appeal if he remains dissatisfied with the outcome of the review. The appeal will be dealt with by a Lead Specialist, and that decision will be final. The customer will be notified of the outcome of the appeal within 14 days.
- 15.4 Once the review has been completed, the officer will write to the customer informing them of the decision within one week.
- 15.5 The customer has no further right of review against this decision. However, applicants may still seek a Judicial Review of the Authority's decision.



MALDON DISTRICT COUNCIL

**Maldon District Council
Council Tax
S13A (1) (c) Local Government Act 1992 Policy**

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1.0 Introduction

- 1.1 The following policy outlines the Council's approach to granting discretionary reductions in liability for Council Tax under S13A (1) (c) of the Local Government Finance Act 1992 (as amended). The Council has the ability to the reduce liability for Council Tax in relation to individual cases or class(es) of cases that it may determine where national discounts and exemptions cannot be applied.
- 1.2 This policy is basically divided into three main areas namely:
- (a) **The Flood Recovery Framework** – this part of the policy covers situations outlined by Central Government where any parts of the Council's area were to be designated as a designated flood area;
 - (b) **The Council Tax Support Fund**; - this part of the policy is for the 2023-24 financial year only and reflects the scheme funded by Central Government to assistance Council Tax Reduction applicants; and
 - (c) **Granting of reductions in Council Tax liability in all other circumstances** - this part of the policy applies to all other circumstances where an application is made to the Council for a reduction in Council Tax liability under S13A (1) (c) of the Local Government Finance Act 1992 other than in respect of (a) above.

2.0 Legislation

- 2.1 The relevant legislation (S13 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012), states the following:

Reductions by billing authority

(1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13);

(a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme;

(b) in the case of a dwelling situated in the area of a billing authority in Wales,
.....

(c) in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.

- 2.2 The provisions stated in (c) above, allows the Council to reduce the Council Tax liability for any taxpayer in addition to any application for Council Tax Reduction under the Council's scheme. This is a general power that has always been available to the Council.

3.0 Finance

- 3.1 Any amounts granted under S13A (1) (c) are normally financed through the Council's general fund and do not form part of the collection fund. In certain circumstances, Central Government provides funding directly to the Council to compensate for specific events in the case of severe flooding. Where this is available, the Council will look to use **all** funding provided.
- 3.2 Any additional assistance, outside of the funding, would fall to be paid by the Council itself.

4.0 The Flood Recovery Framework

- 4.1 In a severe weather event with significant wide area impacts, local authorities may need central support to help their communities and businesses return to normal. Building on these principles, a core package of business and community recovery support has been developed by Central Government to serve as a framework for flood recovery funding when needed.
- 4.2 It will be for Government Ministers to determine when this support will be made available. Weather incidents with localised impacts will not usually trigger a recovery support package.
- 4.3 In relation to Council Tax, Central Government have developed a Council Tax discount package that is available under S13A (1) (c).

Who is eligible for a council tax discount?

- 4.4 Where the Council Tax Discount Scheme is activated following severe weather, MHCLG will refund eligible local authorities for granting discounts in the following circumstances:
- (a) 100% discount for a minimum of 3 months, or while anyone is unable to return home if longer, for **primary residences** whereas a result of the relevant weather event:
 - Flood water entered into the habitable areas; or,
 - Flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered **unliveable** for any period of time. **AND**
 - (b) 100% council tax discount on temporary accommodation for anyone unable to return to their home, in parallel with the discount on their primary residence where applicable.
- 4.5 Second homes and empty homes will **not** be eligible.
- 4.6 Instances where households might be considered **unliveable** could include:

- where access to the property is severely restricted (e.g. upper floor flats with no access);
- key services such as sewerage, draining, and electricity are severely affected;
- the adverse weather has resulted in other significant damage to the property such that it would be, or would have been, advisable for residents to vacate the premises for any period of time, regardless of whether they do vacate or not;
- flooded gardens or garages will **not** usually render a household eligible but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable.

4.7 It will be for the Council to determine eligibility under the scheme.

Properties affected by multiple instances of flooding

4.8 Residences impacted in multiple flood events will not be precluded from repeat support where this is made available by Government in respect of separate weather events.

4.9 Where the scheme is activated for two separate instances of flooding within 3 months of each other, the two discount periods will run concurrently. For example, if the second flood event occurred after 2 months, flooded properties already receiving support could be eligible for another 3 months' discount, making the total period of reimbursement 5 months.

Funding

4.10 In such cases, Central Government will make payment to the Council via a Section 31 grant.

The Council's Policy in respect of the Flood Recovery Framework

4.11 The Council shall operate the scheme strictly in accordance with Central Government guidelines.

5.0 The Council Tax Support Fund

- 5.1 The following policy outlines the Council's approach to the recent initiatives by Central Government to assist the most vulnerable taxpayers who are suffering financial hardship due to the cost of living crisis.
- 5.2 Central Government have provided funds to the Council under S31 of the Local Government Act 2003 with the proviso that all monies are paid strictly in accordance with S13A (1) (c) of the Local Government Finance Act 1992 and in line with guidance issued on 23 December 2022.
- 5.3 The fund, named by Central Government as the 'Council Tax Support Fund' is designed to meet the immediate needs of all taxpayers who are currently claiming Council Tax Reduction (CTR) under S13 A (1) (a) of the Local Government Finance Act 1992. The fund will assist all Council Tax Reduction applicants who will be required to make a payment of Council Tax for the 2023-24 financial year.
- 5.4 Whilst it is essentially down to individual authorities to determine how to use the funds available, Central Government through the Department for Levelling Up, Housing and Communities (DLUHC) states that, in order to retain the funding, Councils must look to use monies as directed by them in their guidance.

Finance

- 5.5 Any amounts granted under S13A(1)(c) are normally financed through the Council's general fund and do not form part of the collection fund. However, Central Government has provided funding directly to the Council (amounting to £85,917) to compensate for this particular support package and it strongly expects the Council, wherever possible, to use all of the funds provided as outlined within the Department's guidance
- 5.6 Any additional assistance, outside of the funding, would fall to be paid by the Council itself. In view of this, the Council has determined that once the allocated funds are exhausted, no further reduction in liability will be made under this policy.

The Council Tax Support Fund

- 5.7 The Council Tax Support Fund is divided into two distinct elements as follows:
 - (a) The minimum reduction in Council Tax liability for all taxpayers who are in receipt of Council Tax Reduction; and
 - (b) Discretionary support.
- 5.8 Each of these elements are detailed in the following paragraphs.
- 5.9 In all cases, Government expects billing authorities to apply the reductions to the 2023-24 Council Tax bills.

The minimum reduction in Council Tax liability for all taxpayers who are in receipt of Council Tax Reduction

- 5.10 In view of the fact that there is a need to support the most vulnerable taxpayers at this time, the Government's strong expectation is that billing authorities will provide all recipients of Council Tax Reduction (both working age and pension age) with a further reduction in their annual council tax bill of up to £25
- 5.11 This reduction will apply to all Council Tax Reduction recipients who have an outstanding liability for the 2023-24 financial year.
- 5.12 For the sake of clarity:
- (a) where the taxpayer's Council Tax liability for 2023-24 (after the application of any relevant discounts, reliefs, and Council Tax Reduction) is £25 or more, then a further reduction in Council Tax liability of £25 will be made;
 - (b) where the taxpayer's Council Tax liability for 2023-24 (after the application of any relevant discounts, reliefs and Council Tax Reduction) is greater than nil but less than £25, then a further reduction in Council Tax liability will be made to reduce the liability to nil; and
 - (c) where the taxpayers Council Tax liability for 2023-24 (after the application of any relevant discounts, reliefs, and Council Tax Reduction) is nil then **no** further reduction in Council Tax liability will be made.
- 5.13 There will be no requirement for any taxpayer to apply for this reduction and any amount granted will automatically be applied based on the criteria being met on 1 April 2023.
- 5.14 Government has stated that it will be up to individual authorities to decide whether to allow the reduction for taxpayers who become eligible for Council Tax Reduction after 1 April 2023.

Discretionary support.

- 5.15 Where any funds remain available after the making the minimum reductions in liability as outlined above, Government expects authorities to determine their own local approaches to supporting economically vulnerable households with Council Tax bills.

The Council's Policy in respect of the Council Tax Support Fund

- 5.16 The Council is keen to support all eligible taxpayers within its area and, as such, will implement the scheme strictly in accordance with Central Government guidelines by taking the following actions:

The minimum reduction in Council Tax liability

- 5.17 A reduction of up to £25 will be made to the Council Tax account of taxpayers who are in receipt of Council Tax Reduction **on** 1 April 2023. It should be noted that where the liability of any taxpayer is less than £25 (after taking into account any discounts, reliefs, or reductions) then an amount will be granted to ensure that the liability is reduced to nil. There will be no requirement for any taxpayer to apply for this initial award and it shall be automatically applied to their account.
- 5.18 The reduction in liability will apply to both working age and pension age Council Tax Reduction applicants.

Discretionary Support

- 5.19 Where any funds remain after applying the reduction in liability as outlined in 5.17 above the Council will use any remaining funds to award further reductions in liability where taxpayers are facing exceptional hardship.

General requirements in relation to funding

- 5.20 As mentioned previously, the Council has been allocated a limited amount of funding and in view of this, should the allocation be exhausted, the policy of the Council will be to cease any further reductions in liability. Where this occurs, any taxpayer may apply for a reduction under the Council's existing S13A(1)(c) policy and each case will be considered on its merits in line with the legislation.
- 5.21 Any reduction in liability under this policy shall apply for the 2023-24 financial year **only**.

6.0 Applications for S13A (1) (c) in other cases

- 6.1 Where the Council receives an application for a reduction in liability in any other case (other than listed within the Central Government sponsored scheme specified above), it may be made:
- (a) In writing; or
 - (b) By means of an electronic communication.
- Each application shall be treated on their individual merits.
- 6.2 In such cases, the Council will require the applicant (where appropriate) to:
- Make a formal application for Council Tax Reduction in an appropriate format. (We encourage electronic claims to be submitted wherever possible. The link to the electronic claim form is on our website in the 'Making an Application' section of the Do it online page).
 - The claim must contain sufficient evidence/information to enable the local authority to get a balanced view of the claimant's situation and circumstances;

- Consider potential changes in payment methods and payment arrangements;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted;
- Maximise their income through the application for other welfare benefits;
- Have taken all reasonable steps to resolve their situation prior to application;
- Provide evidence of exceptional financial hardship or exceptional personal circumstance that would merit a reduction in the Council Tax liability; and
- Not have access to assets, capital or other financial remedy that could be used to meet the Council Tax liability;

6.4 The circumstances affecting the ability to meet Council Tax liability must not be intentional by the applicant and must be deemed to be out of the applicant's individual control.

7.0 Delegated Powers

7.1 This S13A (1) (c) policy has been approved by the Council. However, the Lead Specialist, Service Delivery is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, for certain defined schemes, Central Government guidance.

8.0 Notification

- 8.1 The Council will normally issue a written decision letter to the applicant within one month of the request or as soon as practicable thereafter. This will include:
- the level of the award, if relevant;
 - full reasons for the decision;
 - how it will be paid; and
 - information about how to ask for a review of the decision.
- 8.2 Where the award is part of a Central Government initiative, the award will be shown on the taxpayer's demand notice.

9.0 Review of Decisions

- 9.1 Notwithstanding any reductions applied automatically to the Council Tax account, where any application is refused, the applicant will be notified that they can ask for the decision to be reviewed. Any request for a review must be made, in writing or by email, within one month of the decision letter.
- 9.2 The Lead Specialist, Service Delivery shall undertake the review and shall respond within two months and will have regard to any further evidence supplied.

- 9.3 If the applicant is dissatisfied with the outcome of the review, they can, within two months of the Council's reply, appeal to the independent Valuation Tribunal Service to consider their case.

10.0 Duration of Reduction

10.1 The duration of any award will depend of the circumstances of each case. However, in all cases the following principles will apply:

- (a) Where the reduction is applied under a Central Government Scheme, the reduction shall be applied to the Council Tax account for the period specified in Government guidance;
- (b) In all other cases,
 - (i) the application for the reduction can only relate to the current Council Tax financial year in which the application is made unless the delay was due to an exceptional circumstance; and
 - (ii) If an application is successful, the award period will be specific to the applicant's circumstances, but it cannot exceed a period greater than the financial year it has been awarded in or exceed the total Council Tax charge for that period.

11.0 Changes in circumstances and misrepresentation

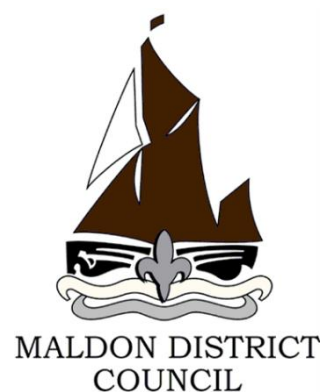
- 11.1 A reduction in liability under S13A (1) (c) can be recovered if it has been made as a result of misrepresentation or failure to disclose a material fact, either fraudulently or otherwise. It can also be recovered as a result of the subsequent application of a national discount or adjustment in banding by the Valuation Office Agency
- 11.2 Changes of circumstances that subsequently negate the need for a reduction in liability under this policy will be recovered by the Council. Where this occurs, the Council shall notify the taxpayer accordingly.
- 11.3 Reductions in liability are not transferable following a change in address.
- 11.4 The Council reserves the right to recover any reductions in liability as a result of a change in legislation or regulation.
- 11.5 The Council is mindful that it is important to protect public funds and, as such, will take action to prosecute any case where the applicant acts fraudulently in applying for a reduction in Council Tax liability.

Document Control Sheet

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This document is due for review by the date shown above, after which it may become invalid.



Pay Policy Statement

Note: This Statement has been written to meet the statutory requirements of the Localism Act 2011 and to aid transparency in respect of Maldon District Council's policy regarding pay to all staff.

The Council seeks to be able to recruit and retain employees in a way which is competitive and fair.

1. General policy

- 1.1 During 2018 the Council initiated a transformation programme. As part of this a Council wide Job Evaluation exercise was carried out on all posts based on a uniform set of criteria and placing all roles within a single unified pay scale. The pay scale was benchmarked and designed to be consistent with best practice. In accordance with the Council's constitution, the remuneration of the Director post's are set by the Appointments Committee made up of elected Members of the authority and based upon the above principles.
- 1.2 The Job Evaluation process was designed to achieve compliance with Equal Pay legislation and to standardise the contractual terms and conditions of staff. Remuneration of all Council employees is governed by agreed policy and procedures.

2. Policy on Payments

2.1 Chief Officer Pay

Definition of "Chief Officers" for the purposes of this statement

- 2.1.1 The term "Chief Officer" as employed in the Localism Act has a different meaning to the use made of it at Maldon District Council. For the purposes of this Pay Policy Statement only, the relevant posts are considered to be as listed below. To note; there is no Chief Executive post in the Maldon structure.

- The three Director posts
- The Monitoring Officer

2.2 Pay

- 2.2.1 Pay for the post of Directors is set by the Appointments Committee and approved by the Council. The role of Director was introduced following the 2014 Senior Management Review and pay set by the Job Evaluation process in 2018. The pay line of Directors is subject to the same factors as the rest of staff pay, for example any annual pay award granted.
- 2.2.2 Any exception to this, such as a proposal to change the pay of senior staff out of line with normal pay awards would be subject to a report to the Council and approval being given.

- 2.2.3 Directors have delegated powers to award discretionary points on an officer's salary scale within approved budgetary limits where they deem it to be in the interests of the Authority. This only applies to points up to the maximum of the salary band for that post.

2.3 Performance related pay and bonuses

- 2.3.1 Maldon District Council does not have performance related pay or bonus payments for any post. As there is no mechanism for linking pay and performance in this way 'earn back' arrangements are not appropriate.
- 2.3.2 Salaries are reviewed on an annual basis and any agreed increase is published as soon as the agreed increase is known. This will usually be backdated to 01 April where this is agreed part way through a year.
- 2.3.3 New staff receive an increment after successful completion of their probationary period.
- 2.3.4 Internal movers may receive an increment at the six months anniversary under our performance management scheme.
- 2.3.5 Incremental increases are not paid if you are already at the top of your pay band, or, if you have received an incremental rise within the previous 6 months.

2.4 Fees, allowances, benefits in kind and expenses

- 2.4.1 The Director of Strategy, Performance and Governance is also the Returning Officer for the District, meaning that the post holder has specific responsibilities in respect of all elections and national referenda held in the District. These duties attract fees that are variable depending on the election. For Parliamentary, Police, Fire and Crime Commissioner, European elections and national referenda these are set by the Government, for County elections by Essex County Council and for District and Parish elections these are set locally.
- 2.4.2 Apart from this no fees, allowances, benefits in kind or expenses are available to the posts listed in 2.1, other than those available to all staff and on the same basis.
- 2.4.3 Staff appointed as Deputy Returning Officer's by the Returning Officer can receive a proportion of the above fees dependent upon the responsibilities undertaken at each separate election.

2.5 Pension

- 2.5.1 All staff are eligible to join the Local Government Pension Scheme in accordance with the terms of that scheme. No special considerations apply to the posts listed in 2.1.

2.6 Severance payments

2.6.1 Where senior staff leave in the normal course of business (resignation, retirement, etc.) the same procedures would be applied as for any other staff member and no additional payments would arise as a result.

2.6.3 Should a staff member leave as a result of a settlement agreement these, by their nature, are subject to negotiation with the individual and their representatives and so are variable in their terms. Such agreements are formal legal arrangements and confidentiality binding on both parties is a key component, so any payment arising from such an agreement would not be published. Authorisation of the payment would be in accordance with the Statutory Guidance on the Making and Disclosure of Special Severance Payments, Council's terms of reference and scheme of delegation and it would need to represent value for money for the taxpayer in the circumstances.

2.6.4 Senior staff that were previously employed by the Authority and left with a severance or redundancy payment may be re-employed on a consultancy basis to cover short term staff pressures where it is considered appropriate and in the public interest to do so.

2.7 Additional Payments

2.7.1 When recruiting to a senior post the salary offered would be that applicable to the grade of the post, as determined by Job Evaluation, and within the established pay line. No additional payments would arise, unless a market supplement to enable recruitment was considered justified due to a recognised technical skill shortage in the job market.

2.7.2 In accordance with the guidance set out in the Localism Act, The Strategy and Resources Committee should be given the opportunity to vote before large salary packages (£100k or above) are offered in respect of a new appointment.

2.8 Monitoring Officer

2.8.1 The Monitoring Officer is not subject to any additional payment.

2.9 Publication of remuneration of senior staff

2.9.1 This Pay Policy Statement, once approved by the Council, will be published on the Council's website.

2.9.2 The remuneration and pension contributions of the Directors are published annually in the Financial Statements of the Authority, along with the numbers of employees whose remuneration and pension contributions are £50,000 and over. These are placed on the Council's website.

3. Lowest paid staff and Real Living Wage

3.1 Definition

- 3.1.1 Maldon District Council are committed to paying the Real Living Wage currently this is £10.90 per hour. Staff in Pay Bands A to C, on spinal points 1 to 9 are paid a supplement to bring their hourly rate of pay up to that of the Real Living Wage rate. The increased rate to £10.90 per hour was paid to employees from 01 October 2022.

3.2 Pay Policy in respect of lowest paid staff

- 3.2.1 No special considerations apply to the lowest paid staff. They are subject to identical terms and conditions, procedures and policies as all other staff. In some cases, these policies give slightly different benefits to different levels of staff. For example, for the lowest five pay bands (A to E) enhanced pay rates for overtime are paid. No enhancement above grade E is paid. In contrast the basic amount of annual leave increases with grade bands.

The Council employs Apprentices, but these are not included within the definition of 'lowest paid employees' and are not subject to the living wage rate as they are paid the legal pay rate for Apprentices.

4. Pay Ratio's

- 4.1 The Pay Multiple is the ratio between the highest taxable earnings and the median earnings figure for the whole authority in accordance with the Transparency Code 2014.
- 4.2 Maldon, as at January 2023, has the ratio between the Director salary and the median of all staff as 1:3.4. The Government has considered setting twenty to one as a maximum. As Maldon District's Council's rate is currently below this amount it is not considered necessary to have a specific policy concerning the pay multiple. If the multiple starts to rise, for example above five to one, this could be reconsidered.

5. Pay Award

- 5.1 The National Joint Council (NJC) negotiates pay on behalf of Local Government and Maldon District Council are committed to paying its employees the nationally agreed pay award each year. The award for 2022-2023 was a sum of £1,925 paid for all staff, pro rata for part time staff and not applicable for those staff on the real living wage rate or on apprentice pay rates. The award for 2023 – 2024 had not yet been finalised.
- 5.2 Employees who have left the Council's employment prior to their pay award being implemented may submit a written request for payment of monies owing to them.

6 Other pay

- 6.1 Honorarium payments may be awarded where an employee is undertaking additional duties such as covering a post at a higher level for a temporary period in recognition of an employee taking on a special project or role.
- 6.2 Information on the Council's policies on Occupational sick pay and maternity, shared parental leave, paternity and adoption leave can be obtained from the Council's Human Resources Team.

7 Other benefits

- 7.1 All employees have access to an Employee Assistance Programme which provides access to Counselling services for example

8 Reimbursement of expenditure

- 8.1 All employees are required to make the best use of council resources and are obliged to consider the most cost-effective option when incurring any expenditure in the course of their duties.
- 8.2 Subsistence allowances are payable when employees incur additional expenditure on meals because they have been unable to follow their normal meal arrangements whilst out on business.
- 8.3 Examples of where an employee may need to incur expenditure on meals are as follows:
- Attendance at training courses or seminars where meals or refreshments aren't provided
 - Site visits
 - Meetings at other organisations
 - Travelling to locations as part of official duties
- 8.4 Subsistence amounts are stated in the Council's Mileage and Expenses Policy.

9 Pensions

- 9.1 General details of the Local Government Pension Scheme (LGPS) are available from Human Resources. Both the employee joining the scheme and the Council contribute to the scheme.
- 9.2 The rules under which auto-enrolment operates will continue to apply to all Council employees. Eligible staff will be automatically enrolled unless they choose to opt out. This exercise will be repeated every three years on the anniversary of each eligible employee's enrolment.

- 9.3 The Council's pension scheme is administered by Essex County Council. They are contactable on: 01245 431912, e- mail: pensionenquiries@essex.gov.uk or on their website: www.essexpensionfund.co.uk

10 Conclusion

- 10.1 The Localism Act 2011 requires relevant authorities in England and Wales to prepare a Pay Policy Statement for each subsequent financial year. This paper sets out the Council's policy statement on pay for employees. The next statement will be reported to Full Council for their approval next year.
- 10.2. Should there be a need to amend the existing Pay Policy Statement during the course of the year an appropriate recommendation will be made to Full Council.

Current Salary Bands 2022-23

	Grade	SCP	1 April 2022 Pay	Monthly	Hourly	Time & Half	Double	
A	A1	1	17332.88	1444.41	8.98	13.48	17.97	The Real Living Wage £10.90
	A2	2	18173.92	1514.49	9.42	14.13	18.84	
	A3	3	18317.14	1526.43	9.49	14.24	18.99	
	A4	4	18843.72	1570.31	9.77	14.65	19.53	
B	B5	5	19040.80	1586.73	9.87	14.80	19.74	
	B6	6	19651.38	1637.61	10.19	15.28	20.37	
	B7	7	19792.45	1649.37	10.26	15.39	20.52	
	B8	8	20387.43	1698.95	10.57	15.85	21.13	
C	C9	9	20668.95	1722.41	10.71	16.07	21.43	
	C10	10	21522.06	1793.51	11.16	16.73	22.31	
	C11	11	22387.97	1865.66	11.60	17.41	23.21	
	C12	12	23343.46	1945.29	12.10	18.15	24.20	
D	D13	13	23685.77	1973.81	12.28	18.42	24.55	
	D14	14	24488.76	2040.73	12.69	19.04	25.39	
	D15	15	25289.63	2107.47	13.11	19.66	26.22	
	D16	16	26090.48	2174.21	13.52	20.29	27.05	
E	E17	17	26436.00	2203.00	13.70	20.55	27.40	
	E18	18	27043.84	2253.65	14.02	21.03	28.04	
	E19	19	27657.02	2304.75	14.34	21.50	28.67	
	E20	20	28266.99	2355.58	14.65	21.98	29.30	
F	F21	21	28840.70	2403.39	14.95			
	F22	22	29756.74	2479.73	15.42			
	F23	23	30673.83	2556.15	15.90			
	F24	24	31587.73	2632.31	16.37			
G	G25	25	31705.03	2642.09	16.43			
	G26	26	33229.97	2769.16	17.22			
	G27	27	34758.11	2896.51	18.02			

	Grade	SCP	1 April 2022 Pay	Monthly	Hourly	Time & Half	Double	
	G28	28	36286.25	3023.85	18.81			
H	H29	29	37430.48	3119.21	19.40			
	H30	30	39148.44	3262.37	20.29			
	H31	31	40865.33	3405.44	21.18			
	H32	32	42585.42	3548.78	22.07			
I	I33	33	43157.00	3596.42	22.37			
	I34	34	44885.92	3740.49	23.27			
	I35	35	46592.91	3882.74	24.15			
	I36	36	48311.94	4025.99	25.04			
J	J37	37	48884.59	4073.72	25.34			
	J38	38	50794.50	4232.87	26.33			
	J39	39	52702.27	4391.86	27.32			
	J40	40	54611.11	4550.93	28.31			
K	K41	41	55182.69	4598.56	28.60			
	K42	42	57282.41	4773.53	29.69			
	K43	43	59382.14	4948.51	30.78			
	K44	44	61481.86	5123.49	31.87			
L	L45	45	62055.59	5171.30	32.17			
	L46	46	63772.48	5314.37	33.05			
	L47	47	65491.49	5457.62	33.95			
	L48	48	67208.38	5600.70	34.84			
M	M49	49	68354.76	5696.23	35.43			
	M50	50	69880.76	5823.40	36.22			
	M51	51	71407.83	5950.65	37.01			
	M52	52	72935.97	6078.00	37.80			
N	N53	53	80723.82	6726.99	41.84			
	N54	54	82900.33	6908.36	42.97			
	N55	55	85075.76	7089.65	44.10			
	N56	56	87252.27	7271.02	45.23			
O	O57	57	89384.73	7448.73	46.33			
	O58	58	91570.84	7630.90	47.46			
	O59	59	93812.35	7817.70	48.63			
	O60	60	96110.31	8009.19	49.82			
P	P61	61	105569.83	8797.49	54.72			
	P62	62	108752.27	9062.69	56.37			
	P63	63	111931.59	9327.63	58.02			
	P64	64	115114.03	9592.84	59.67			

STATEMENT OF CONSULTATION RESPONSES ON THE ISSUES AND OPTIONS DOCUMENT

DECEMBER 2022

Maldon
District
Council

**Local
Development Plan**



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1.0 INTRODUCTION

- 1.1 The Council is reviewing its Local Development Plan (LDP). The present LDP was approved on the 17 July 2017.
- 1.2 The Issues and Options Document Consultation was carried out in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012. Regulation 18 represents the first statutory stage in preparing a Local Plan/LDP and specifies who must be notified of the preparation of the plan and that relevant stakeholders must be invited to make representations on the content of the plan and that these representations must be considered.
- 1.3 The consultation ran from 17 January 2022 to 14 March 2022. There were 490 respondents. This Statement sets out a broad summary of the comments for all the questions raised in the consultation. Some of the questions which were similar to each other are grouped together. A full table of the responses is appended to this document, including the response from Essex County Council.
- 1.4 Some comments received were of either a defamatory or discriminatory nature and have been redacted from the Statement of Consultation's Appendix. A separate record of all redacted comments has been kept for audit purposes.

2.0 Respondents Profile Summary

- 2.1 In terms of the consultation the breakdown of those making comments is as follows.
 - Members of the public 361
 - Parish Councils 21
 - Developers 17
 - Businesses 16
 - Statutory Consultees 15
 - Special Interest Groups 10
 - Planning Agents 7
 - Promoters 7
 - Local Authorities 6
 - Community Groups 2
- 2.2 The demographic age of respondents was in order of the number of respondents, as follows.
 - Age not given 107
 - 55 – 64 = 104
 - 65 – 74 = 79
 - 45 – 54 = 72
 - 75+ = 47
 - 25 – 34 = 20
 - 18 – 24 = 4

2.3 The gender split in regard to respondents were as follows.

- Male – 210
- Female – 164
- Age not given – 94

2.4 In terms of ethnicity of the respondents.

- Not given – 121
- White – 337
- Mixed – 6
- Indian - 1
- Chinese – 1

2.5 The Council will use these figures as a baseline against future consultations for the review of the LDP and is going to be carrying out some additional consultation work for the age group below 18 as there were nil responders from this demographic cohort.

3.0 Duty to Cooperate Bodies

3.1 With regard to the Duty to Cooperate Bodies there were 11 respondents. These were as follows.

- Essex County Council.
- Chelmsford City Council
- Basildon District Council
- Sport England
- Colchester Borough Council
- Rochford District Council
- Historic England
- National Grid
- Natural England
- Mid and South Essex Health and Care Partnership
- Essex County Fire and Rescue Service
- East of England Ambulance Service NHS Trust
- NHS Property Services Ltd
- Environment Agency
- Highways England

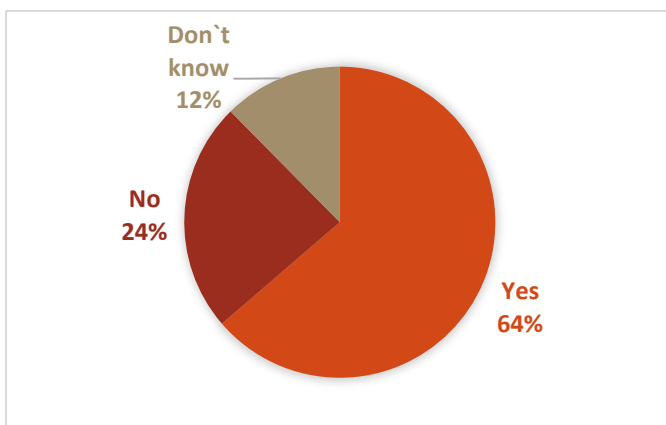
3.2 Where comments related to the Vision, Issues and Objectives of the LDP, these where possible will be incorporated into an updated version. Where comments related to any incorrect facts these have been amended. All the other comments have been noted and will form the basis for ongoing discussions with Duty to Cooperate Bodies as necessary or be incorporated into emerging policy.

2.0 QUESTIONS 1 to 7 SUMMARY

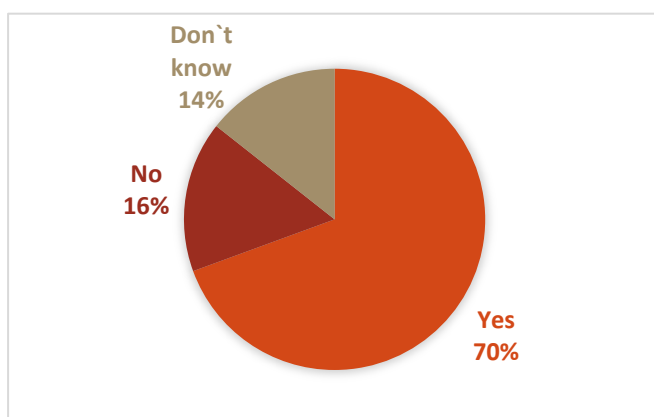
2.1 The first seven questions of the Issues and Options Consultation correspond to the first part of the reviewed LDP. These are.

- Spatial Picture of the District
- Strategic and Cross Boundary Issues
- District Issues
- Vision
- Objectives

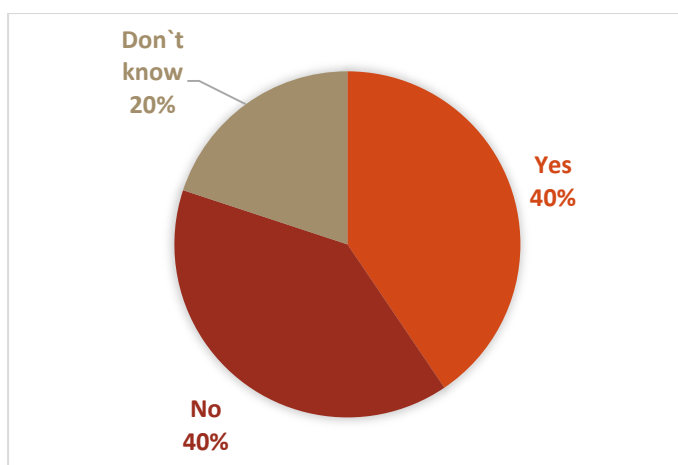
2.2 **Question 1** - Do you agree with this spatial picture of the District?



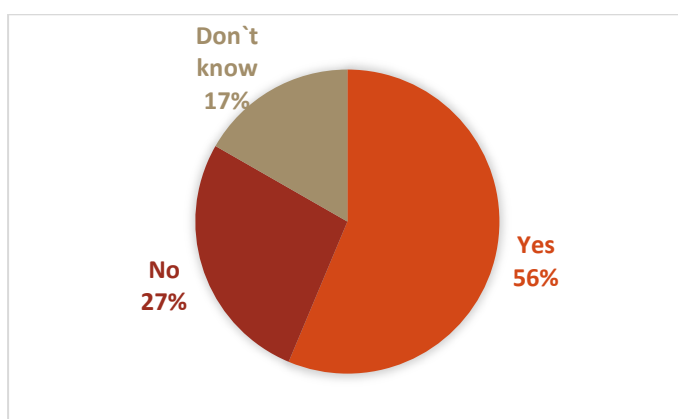
2.3 **Question 2** – Are the issues still relevant?



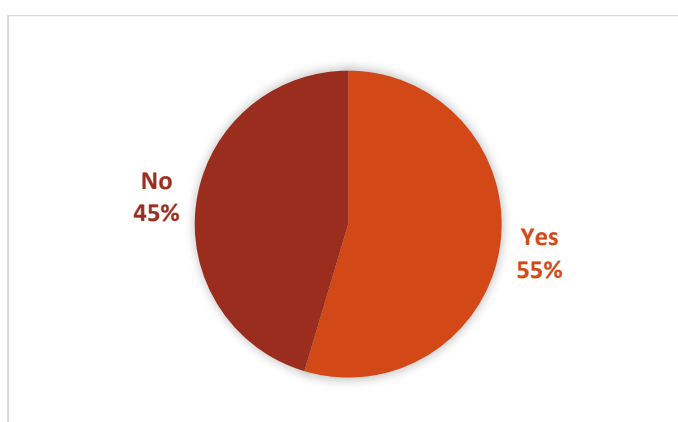
2.4 **Question 3** - Do you consider these to be the extent of strategic and cross boundary issues applicable for the Maldon District?



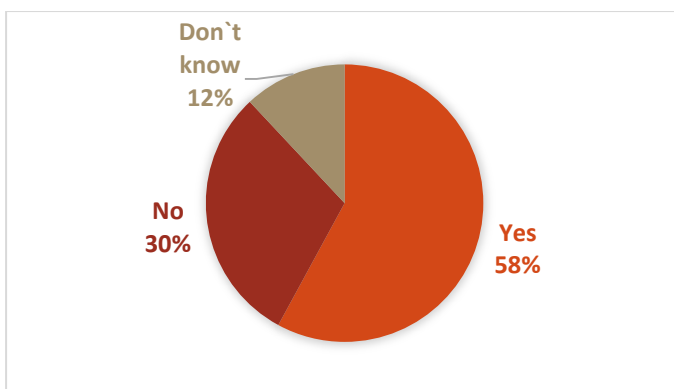
2.5 **Question 4** - Are these key issues the right ones or are there any key issues that you think have been missed?



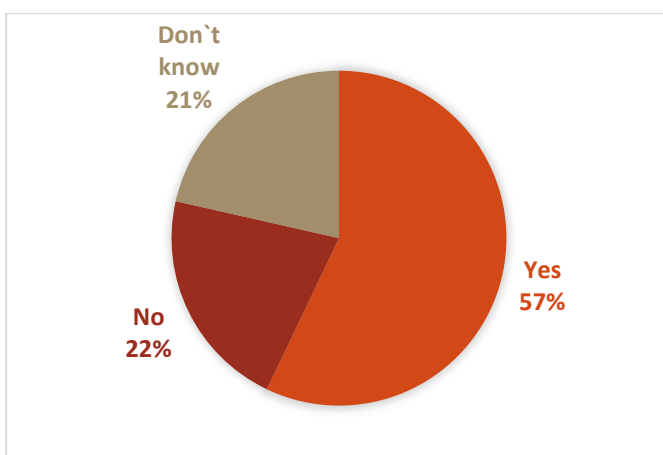
2.6 **Question 5** – Do you agree with the amended Vision?



2.7 **Question 6** – Do you agree with the objectives of the LDP Review?



- 2.8 **Question 7** – Are there other objectives that the LDP should aim to achieve?

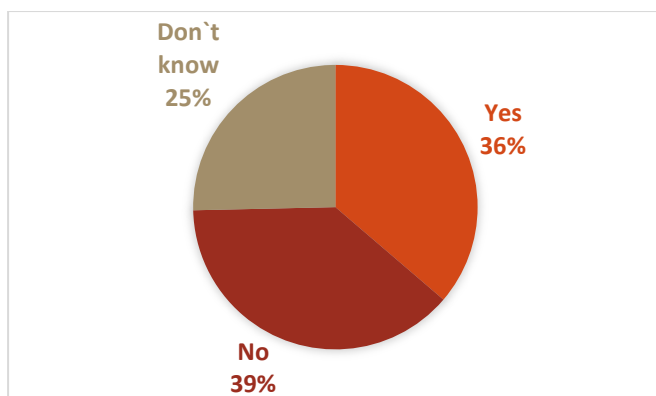


- 2.9 There were a number of comments made from respondents concerning the above sections of the LDP Review. In the main the consultation mood was quite positive, however there were a lot of comments through the majority of public responses about not wishing to see any further growth in the District at all and various questions as to why infrastructure in general is not being delivered now. The concern about infrastructure delivery, is a priority indicator that the Council needs to have closer scrutiny over as the LDP Review moves forward.

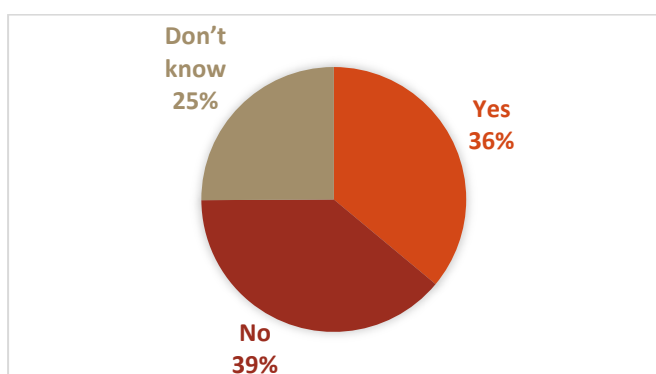
2.10

3.0 QUESTIONS 8 TO 14 AND QUESTION 17 SUMMARY

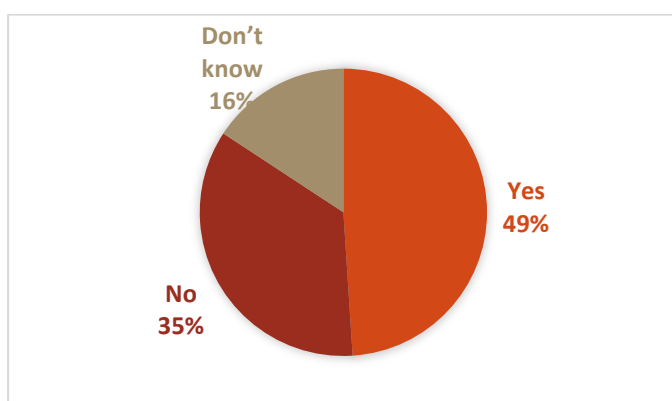
- 3.1 **Question 8** - Do you agree with the Council using the standard methodology in the calculation of its housing target for the period 2023 – 2043?



- 3.2 There were quite a few of the consultees who believed that the amount of housing required should be less than the National Planning Policy Framework's (NPPF) standard methodology suggests. There was also some concern about the shortage of affordable housing in the District and suggestions that other surrounding authorities should take the District's housing growth because they have more services and facilities.
- 3.3 The minimum housing requirement for a local planning authority is set out in the Government's NPPF Standard Methodology. In 2022, this is a floor not a ceiling target and the starting point for calculation in a LDP Review. The Council will be updating the Local Housing Needs Assessment prior to setting its final housing requirement for the LDP Review when the matter will be reviewed alongside the amount of affordable housing needed across the plan period and any changes to national policy.
- 3.4 The Council is meeting neighbouring authorities and other public bodies regarding the Duty to Co-operate and has to give due consideration to them if they requested that the District accommodate some of their growth. This is in accordance with the Greater Essex Unmet Housing Needs Protocol which was negotiated and agreed countywide as part of the Duty to Co-operate. At the present time there is no evidence that the District cannot accommodate its own growth needs, but further work remains outstanding to test this thoroughly.
- 3.5 **Question 9** - Should the Council have a contingency or buffer figure in its housing target to ensure that it always has a continuous supply of housing over the plan period and if so, what should that buffer be?



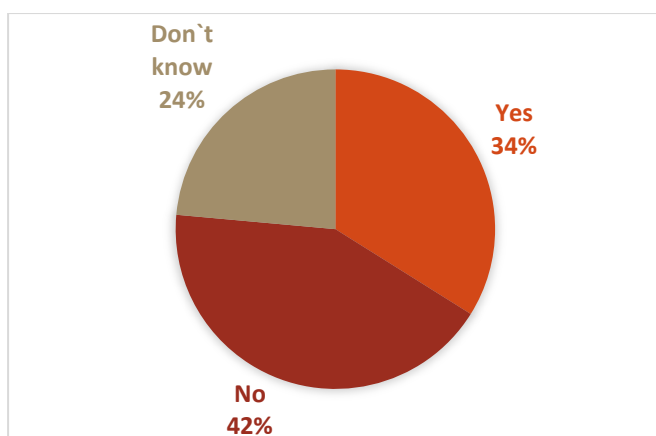
- 3.6 Discounting those comments that did not know, there was a fairly even split response as to whether a buffer should be included.
- 3.7 The recommended buffer from the Homes Building Federation is 20% but one of the consultees suggested as a starting point that the council should be analysing past delivery, which is a sound principle in terms of assessing a suitable buffer. If this was to be followed, at the present time the District has a shortfall of housing which is approximately 10% of what should have been delivered since 2014.
- 3.8 **Question 10** - Should the plan period be longer than 15 years, should the period be 20 years, so that infrastructure can be planned in over a longer period?



- 3.9 There were mixed views given by consultees over how long the plan should run for. Answers of between 15, 20 and for some 30 years were suggested. There were also quite a number of comments concerning the perceived lack of infrastructure provision that had come forward in the present plan period which looked forward 15 years.

- 3.12 The following three questions refer to the Settlement Pattern

Question 11 - Do you agree with the updated Settlement Pattern and how the settlements in the District have been grouped together?



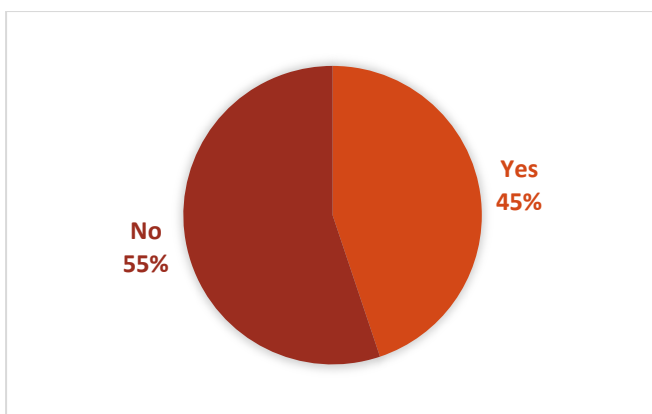
Question 12 – If you do not agree how should they be grouped together

This question was answered 178 times.

Question 13 - Referring to the table on the Council's website which sets out all the services and facilities for each settlement – are there any comments about this or matters which need to be altered or changed?

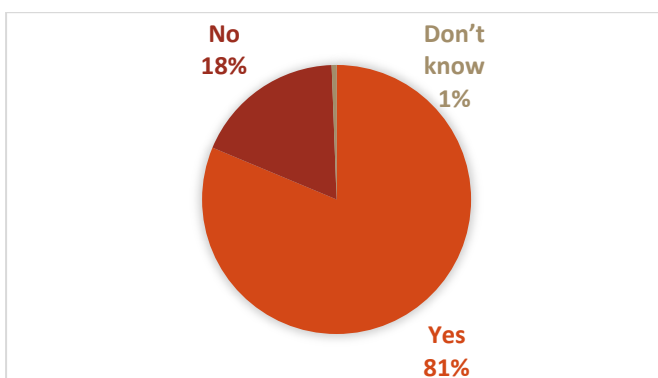
This question was answered 198 times.

- 3.13 There were mixed responses, some of the respondents submitted helpful evidenced answers about the different types of services and facilities in their settlement and these have been transferred into the evidence for the Rural Facilities Study Update. One settlement raised a number of concerns about the Rural Facilities Study Update and they have been met and the issues they raised have now been resolved.
- 3.14 Many responses were influenced by the fact that many respondents did not understand what the Settlement Pattern was and believed that the higher up the Pattern their settlement appeared, the more growth they were going to automatically receive from the council. This was despite the consultation document stating clearly that *"It is important to note that where a settlement is in the pattern does not necessarily dictate where growth is going to go in the future."* This had the effect of respondents making statements about their settlements based not on evidence, but on the fact that they did not want growth; which is not a material planning consideration.
- 3.15 **Question 14** - Do you agree with the approach set out above for major infrastructure projects?



Many of the responses to this question commented about their concern about local infrastructure and lack of provision.

- 3.16 **Question 17** - Do you think it is appropriate to include in the LDP Review a policy dealing with major infrastructure projects such as the Bradwell B Nuclear Power Station, to be activated if this type of project comes forward?



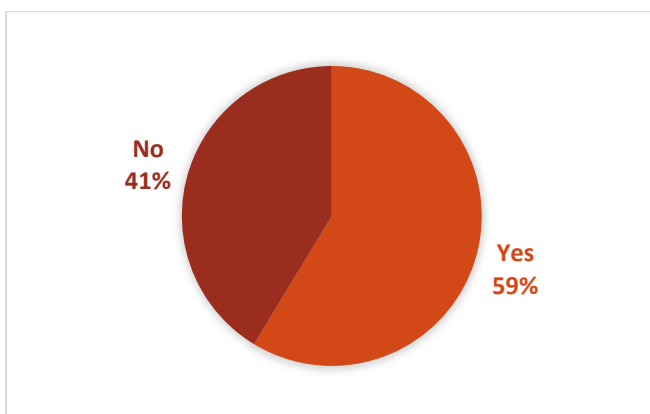
- 3.17 There was more support for the proposal of a major infrastructure policy in question 17 than question 14, this may have been because the explanation accompanying it was more detailed and therefore respondents understood the implications better. Some of the respondents were however referring to local and strategic infrastructure which would not be covered by this proposed policy and would instead be included in the Infrastructure Delivery Plan and Infrastructure Policy. There was quite a lot of negative comments about the Bradwell B National Strategic Infrastructure Project; this was to be expected and cannot be commented on further as the Council is not the decision-maker.

4.0 QUESTIONS 15 AND 16 SUMMARY

- 4.1 **Question 15** - Which growth option do you consider to be the most appropriate for the District of Maldon?

This question was answered 327 times.

- 4.2 **Question 16** - Do you believe that there is another suitable growth option for the District, perhaps a combination of any growth options?



4.3 There were broad range of comments on the options set out in the consultation paper. These were as follows.

Option 1 - Respondents felt broadly speaking that this option would protect green spaces more.

- The majority of the services and facilities are already in the main towns.
- The towns have publicly accessible transport facilities and more employment opportunities.
- Urban extensions and garden suburbs next to towns minimises impact elsewhere and helps deliver infrastructure.
- This helps to protect the more rural settlements.
- There would be a need to allocate medium and small sites as well in the future to ensure choice in the market.
- The option failed last time. The towns do not have the infrastructure to take more growth, they have taken their share of growth in the past. It would be better to allocate into the north of the District to link up with the A12.
- Move the growth into neighbouring authority areas.
- Need to ensure there is not urban sprawl and towns and villages don't merge together.
- This option may place additional strain on services and facilities, it would not allow investment on infrastructure in other parts of the District.
- It would maximise sustainability in the towns.
- The existing infrastructure in the towns must be able to cope with the increase in growth. Easier to expand what is already there.
- It's the least unattractive option.
- It will spoil the charm of Maldon. Will result in too much development in the same places as before
- Large villages can also take growth.

Option 2 - The broad comments on this option were that it protects the character and landscape of the district.

- It will address the damage to Burnham.
- It is the best form of sustainable development.

- Any building in the villages should focus on small sites for local builders.
- The inclusion of more settlements could help deliverability.
- Existing infrastructure could be expanded.
- The other large villages could take more growth.
- The option could encourage growth in a district with an aging population and diminishing working age population.
- The option should include the medium villages as well.
- The road connections and amenities would be unable to cope.
- It will result in too much development in the same places. The option is similar to option 3.

Option 3 - The broad comments were that many of the settlements do not have enough suitable sites.

- Large villages are sustainable.
- This option is similar to option 2.
- It would focus growth in the most sustainable settlements which already have services and facilities.
- Without new housing, issues of affordability could get worse.
- It would reinforce the existing settlement pattern.
- We should look to opportunities along the railway line.
- This option will assist smaller builders, allows growth to be spread more evenly.
- Levels of growth should be spread proportionately in line with populations.
- This option will achieve economies of scale.
- This could lead to an under-delivery of housing.
- Distribution by population size of settlement could lead to an under-delivery.

Option 4 - Comments concerning this option were:

- that it will give the opportunity for all settlements to improve
- there is a need to consider different transport options
- will enable settlements to grow more slowly
- there will be an impact on infrastructure
- There, will be an inability to pay for infrastructure.
- The option will put pressure on services, impact on the rural villages.
- It will share the growth.

Option 5 - Comments made concerning this option were:

- that this is a chance to integrate services and facilities in one place, could be close to the A12 and trainlines.
- The option offers an opportunity for infrastructure and will reduce pressure on communities.
- It should target a new settlement.
- It needs to include smaller sites for local builders.
- The option will have too long a lead in time and would need an interim strategy to ensure delivery of housing supply.
- A new garden village should be considered in the south near to a railway station.

- Climate change and infrastructure needs to be considered.
- The option would be very damaging and would require substantial amounts of infrastructure.
- It would work well with options 6 and 7.
- It would protect the countryside.
- The option would create similar problems to the existing strategy.
- The road networks and other infrastructure would need substantial improvement.

Option 6 - Comments made concerning this option were:

- This option would benefit from links to the A12 corridor, Danbury, and Hatfield Peverel.
- There is still the need with this option to ensure the continuing support for the towns Maldon, Heybridge, and Burnham.
- The option would create similar problems to those that already exist.
- Economies of scale funding would go outside the district.
- Development would be closer to Colchester and Chelmsford.
- Good access to the A12
- No windfall development.
- This option would be discharging responsibility for infrastructure to neighbouring authorities, ignoring sustainable communities such as Maldon and Burnham.
- Loss of rural character of small villages.
- Would need good cycle routes to the towns.
- Impacts could be mitigated against by pepper-potting.
- Put development where infrastructure already is.
- Have had an over-reliance on Maldon/Heybridge and Burnham.
- Focus growth in areas which are less dense.
- Danbury is already over-burdened.
- Closer to strategic transport links.
- Tiptree already has services and facilities.
- This option would not resolve the affordable housing problem in the south of the District.

Option 7 - There was opposition to this option, but this was mainly skewed by the fact that there was a large site in one of the settlements in the HELAA, which was evident from the detailed comments given about that settlement. At the present time the Council cannot comment on whether individual settlements can or cannot accommodate future growth, or on sites which have not had any technical evidence work prepared or concluded for them for the LDP Review. The Council needs to make a choice on where that growth is going to go in a broader strategic sense, and this was one of the reasons for the Issues and Options Consultation.

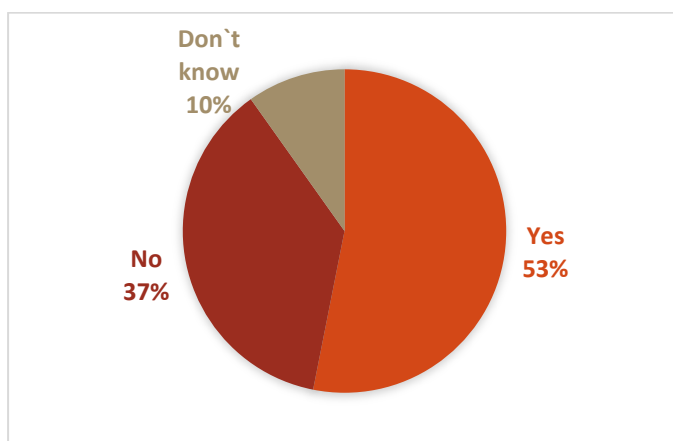
Other comments were that:

- the north has already taken sufficient growth around Maldon/Heybridge,

- The railway has both insufficient capacity and on the other hand the railway is a sustainable form of transport with capacity,
- Impacts on landscape,
- Focus growth around the railway stations for a greener solution.
- There is sufficient growth in the north more development needs to go in the south.
- Villages with a railway should be ranked higher.
- The option does not spread development around locations.
- Could provide a catalyst to offer new services to locations and a modal shift in transport.

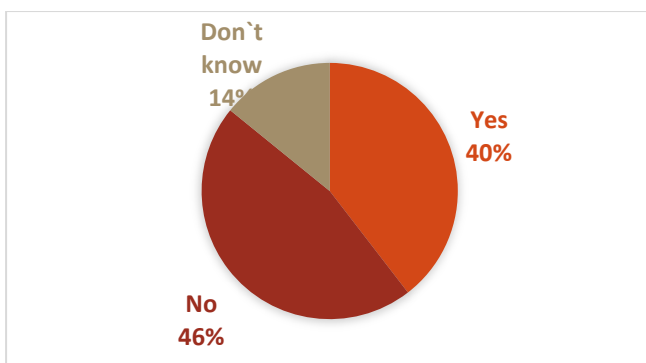
5.0 QUESTIONS 18 TO 22 SUMMARY

- 5.1 **Question 18** - Would you consider the delivery of housing appropriate on areas of land where there are disused agricultural buildings, or derelict land in or adjacent to large, medium, and small villages?



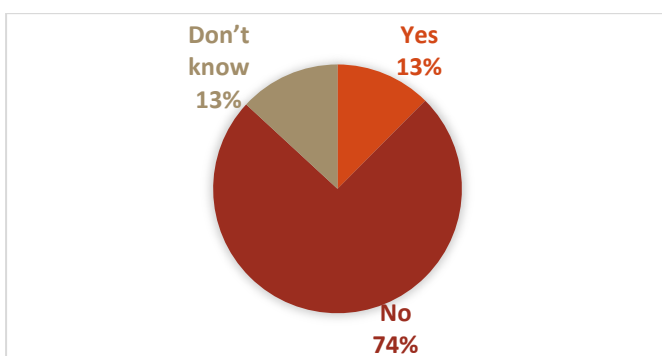
There was quite a lot of support for this issue, though many of the respondents wanted all development to go on brownfield land only. This is not possible, not even as a starting point because the district does not have a history of significant industrial land use and derelict industry sites so there are limited brownfield land opportunities. Therefore, it is inevitable that greenfield sites will be required to accommodate future growth.

- 5.2 **Question 19** - Housing can be delivered in larger quantities, but using less greenfield land, by building at higher densities. Would you consider this appropriate if sites with higher densities were designed to ensure they achieved a high quality of design?



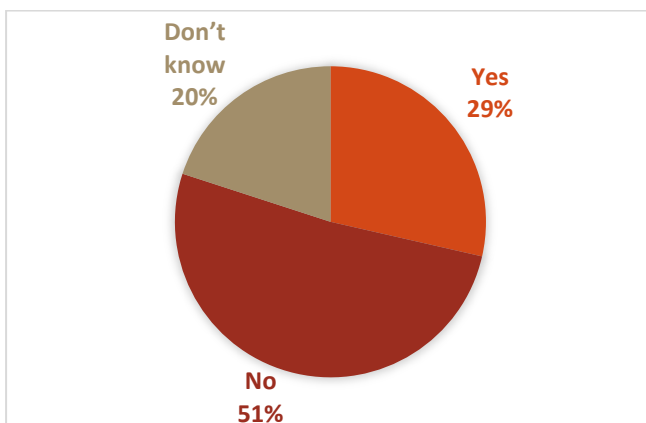
In terms of the support/object/don't know responses - 123 respondents supported the statement set out in the question, with 144 not supporting it. 44 respondents did not know.

- 5.3 **Question 20** - Do you agree with building at higher densities in all settlements. What would you think was appropriate in terms of housing and higher densities?



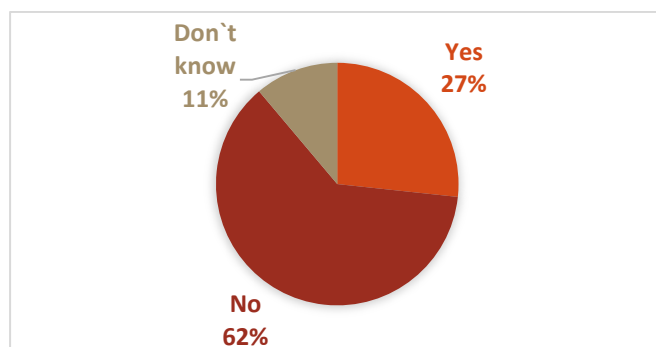
In terms of support/object/don't know responses – 37 respondents supported the statement set out in the question, with 221 not supporting it. 39 respondents did not know.

- 5.4 **Question 21** - Would you support minimum density standards to uplift the delivery of housing and ensure land in Maldon District was used as efficiently as possible, or do you think design, or other factors should dictate density on housing sites?



In terms of support/object/don't know responses – 80 respondents supported the statement set out in the question, with 144 not supporting it. 56 respondents did not know.

- 5.5 **Question 22** - Would you consider higher density housing appropriate in large, medium, and small villages, if the design was to a higher standard and the character of the settlement was still respected?

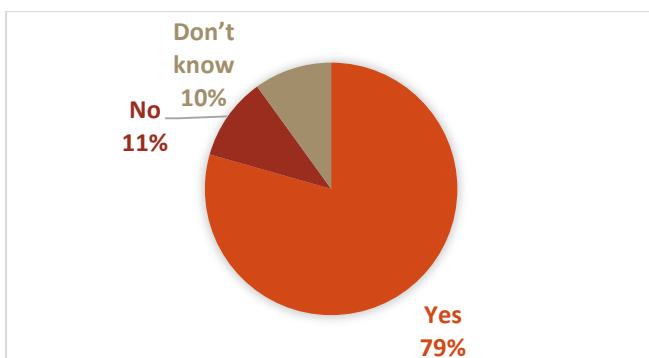


In terms of support/object/don't know responses – 79 respondents supported the statement set out in the question, with 184 not supporting it. 33 respondents did not know.

- 5.6 With regard to questions 19, 20, 21 and 22, the respondents focused on concerns around higher density developments, especially the unsuitability of higher density in rural locations, the impact on character and the linked issue of height of development. This could however mean that in rural locations more land will need to be used to accommodate housing at lower densities if that is what is desired. Some respondents felt that higher density could still be focused on the District's towns and development should be on brownfield land.

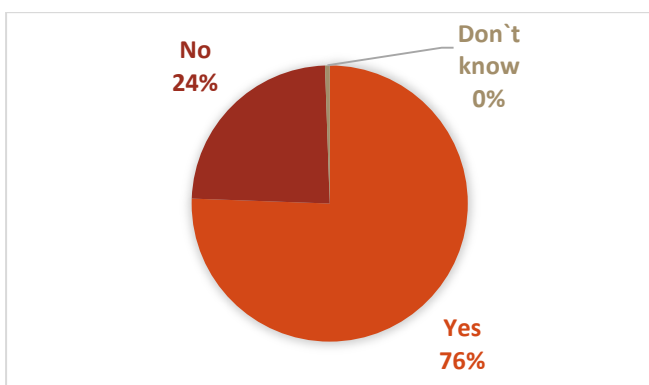
6.0 QUESTIONS 23 AND 24 SUMMARY

- 6.1 **Question 23** - Is it appropriate to develop land for housing that has been previously used for commercial uses such as employment and retail which is otherwise vacant, underused and derelict?



- 6.2 This issue was generally supported. However the main concern from respondents was that employment land would be lost as a result to housing without having safeguards put in place. This is a valid concern, the present LDP does not set out clearly enough what is expected of developers when they put forward applications for the change of use of employment or commercial land. This also will make it difficult for decision makers to ascertain whether the land should be given permission for a change of use to something other than employment and retail land.
- 6.3 **Question 24** - It is difficult for Maldon District to have a policy that states that brownfield land should be developed first for housing because of the lack of brownfield land sites in the District. This could also inadvertently lead to the redevelopment of active employment land to residential the consequences of this could lead to job losses and a decline in employment sites.

Therefore, instead of 'brownfield land first', should the Council instead place a greater emphasis on encouraging the development of brownfield land for housing? This may mean less affordable housing and other benefits comes forward, but it could redevelop sites which are an eyesore and blight on settlements and residents.

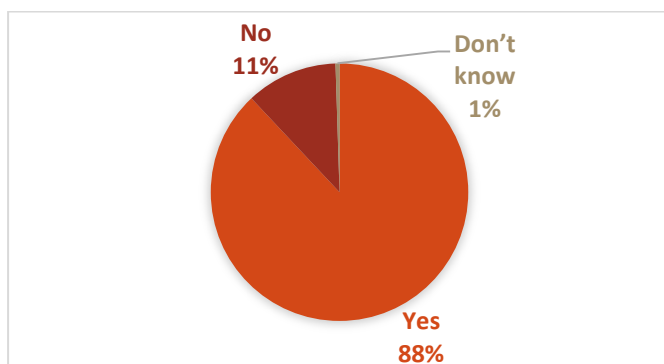


- 6.4 There was quite a lot of support for this issue, though many of the respondents also wanted all development to go on brownfield land and/or were concerned that there would be a loss of employment land to housing which could impact on the economy. Putting all housing development on brownfield land is not possible in Maldon District, not even as a starting point because the district does not have a history of significant industrial land use, with large derelict sites so there is limited brownfield land

opportunities or opportunities to build within existing settlement boundaries. Therefore, it is inevitable that greenfield sites will be required to accommodate future growth. However, the Council can look to ensure that through stronger LDP policies and when carrying out work on site allocations that brownfield land is prioritised in the settlements chosen for growth.

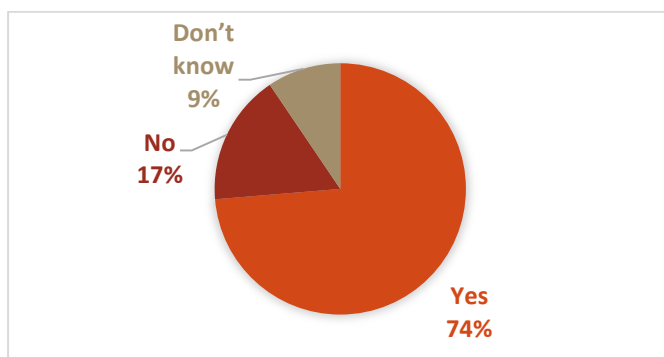
7.0 QUESTIONS 25 AND 26 SUMMARY

- 7.1 **Question 25** - Should the medium and small settlements retain some form of a settlement boundary, albeit more flexibly drawn?



- 7.2 There was significant support for this with respondents believing that taking away settlement boundaries would lead to urban sprawl. The support from some respondents was caveated with the need to be more flexible in the approach the Council is going to take. Other respondents wanted the matter to be put into the hands of the parish councils via a Neighbourhood Plan, though a Neighbourhood Plan still needs to be in conformity with the Council's LDP Review and national planning policy.

- 7.3 **Question 26** - Should the Council develop a windfall policy for all or specific settlements, potentially capping the number of units for each site coming forward and ensuring the protection for key views, green infrastructure gaps and the historic environment in each village?

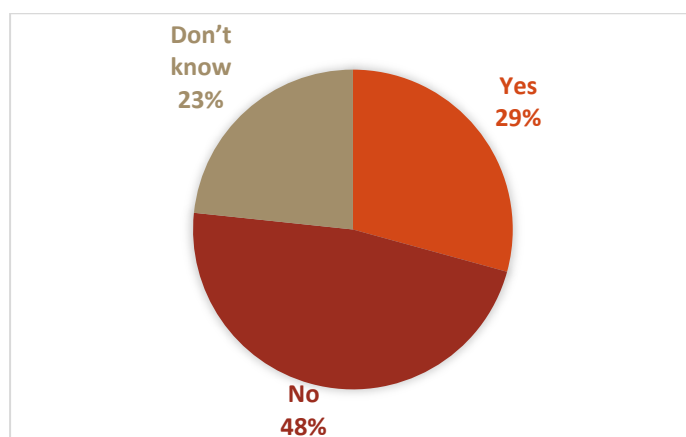


- 7.4 There was quite a high level of support for this proposal. Respondents were seeking a more flexible approach in terms of decision making, the support was however more for the larger settlements rather than the smaller ones. Protection for key features was also supported as was

ensuring that sites were allocated instead of allowing them to come forward as windfall, which is a legitimate concern, and the Council could remedy this by seeking to allocate its full housing requirement.

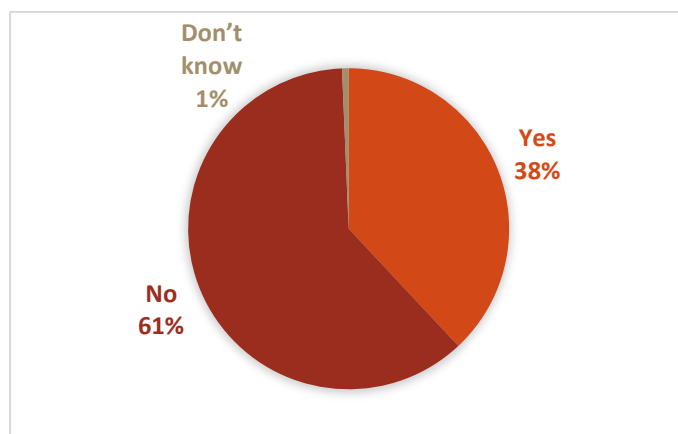
8.0 QUESTIONS 27 TO 30 SUMMARY

- 8.1 **Question 27** - In the event of an increase of need, should the Council look to establish both private and public sites for Gypsies and Travellers in the future, recognising that not all needs can be catered by one tenure of provision?



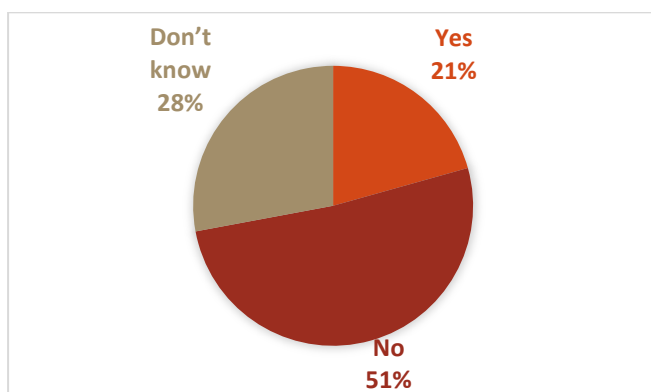
- 8.2 The creation of new public and private sites in the Maldon District is broadly supported, however concerns have been raised about the size of new sites, ensuring that their locations are suitable and accessible and can be supported by existing facilities. These are valid concerns, and the Council can address these issues through site selection and criteria in planning policy to support decision-making. Some views have been expressed preferring either private, or public provision of new sites, but not both. There have also been some objections to any further provision being catered for in the Maldon District.

- 8.3 **Question 28** - In the event of an increase of need, should the Council seek to intensify or expand existing Gypsy, Traveller and Travelling Showpeople sites as much as possible, where it is suitable to do so?



- 8.4 Whilst there is some support for the expansion or intensification of existing sites, most of this is conditional support which seeks assurances on applying the same rules to the settled community; reviewing whether sites are suitable to be intensified or expanded; only intensifying or expanding small sites, or only allowing it where it does not cause harm to the nearest settlement or surroundings. A few comments support one or the other, but not both. There are objections to either taking place in the District, particularly around Great Braxted due to existing issues with some sites in that area.

- 8.5 **Question 29** - In the event of an increase of need, should the Council consider how it could use its Settlement Pattern, Rural Exception Sites and/or Windfall Policy (if implemented) to support the increased provision of new sites in sustainable locations that can serve the community's needs better?



- 8.6 There are varied answers to this question, which do not show conclusive support to any of the options for how Settlement Patterns, Rural Exception Sites or Windfall Policies could be used to increase provision. Most responses reaffirm answers that only existing sites should be expanded - regardless of their location in the Settlement Pattern. There has been some direct objection to using this approach to find more sites, although just as many people needed more information/ were unsure as to how it should be tackled. Concern has been expressed as to how the Council is reviewing needs as there are some assumptions that needs will not have increased. A Town Council has also expressed the importance of Transit Sites being provided. Transit Sites are a Duty to Co-operate matter across the whole of Greater Essex and Maldon District Council cannot resolve this particular matter on its own.

- 8.7 **Question 30** - Is there anything else the Council should be considering for homes for Gypsies, Travellers and Travelling Showpeople?

This question was answered 82 times.

- 8.8 There are varied answers to this question, not surprising as it was designed to be a 'catch-all' question. Most comments have been made advising the Council to be mindful that new sites need to offer a good quality of life to Gypsy, Traveller and Travelling Showpeople residents, be

close to education/health care services, be connected to utilities and offer ease of access for larger vehicles.

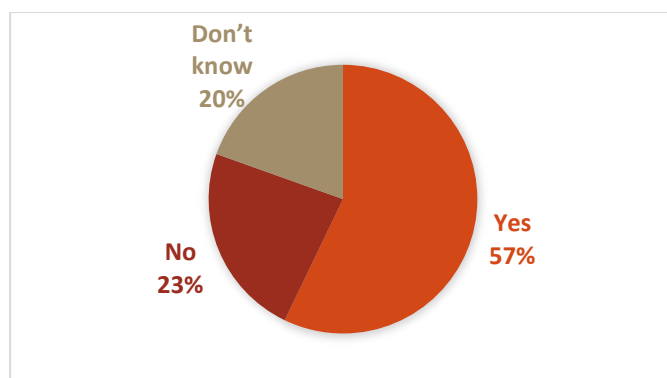
In a similar fashion there has been a suggestion that the sustainability of new sites is considered, together with how they can integrate renewable energy solutions. These are all good suggestions of criteria that could be included in the updated LDP Review policy for Gypsy and Traveller Sites.

In addition, there has been a call from some people that the Council asks the Gypsy, Traveller, and Travelling Community what it needs and seeks to engage with them proactively as part of the LDP Review. The Review has already been commissioned in the form of an update to the Maldon District Gypsy, Traveller, and Travelling Showpeople Accommodation Assessment which has interviewed households around the District and determined what their family needs are.

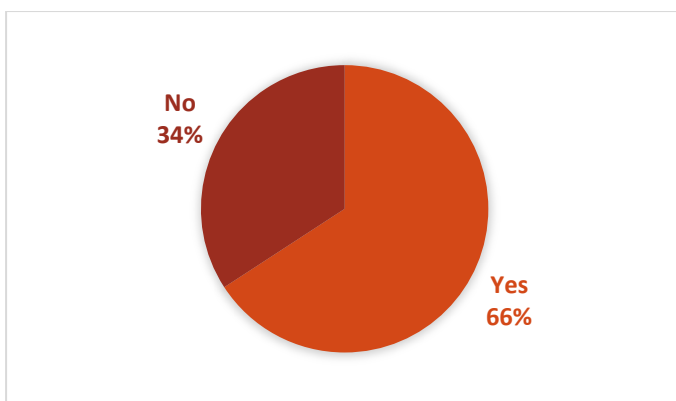
There have been some suggestions as to where new sites should not be located, as well as where they should be located in the future. Comments have also been provided on the Council's role in Planning Enforcement and fairness in policy.

9.0 QUESTIONS 31 TO 33 SUMMARY

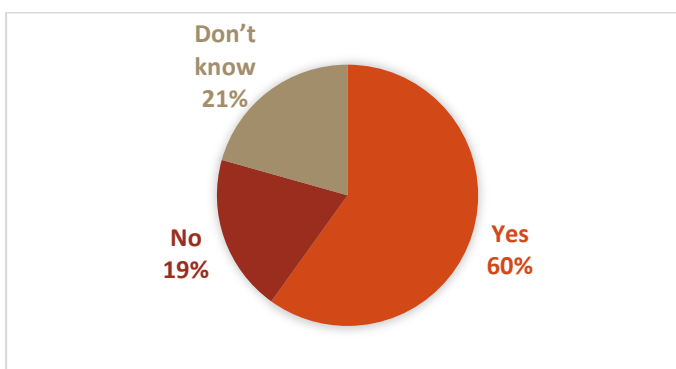
- 9.1 **Question 31** - Should the Council seek a proportion of self-build/custom build plots on larger housing sites?



- 9.2 **Question 32** - In addition to the above, should the Plan also allocate specific sites in the LDP Review exclusively for self-build/custom build, either put forward by people who want to self-build or caveated by policy that they can only be brought forward by self-builders?



- 9.3 **Question 33** - Should the Council in the development of a self-build/custom build policy consider ensuring that smaller low-cost housing units are encouraged to come forward?



- 9.4 In terms of questions 31, 32 and 33, there was support for seeking a proportion of self-build, custom build developments on larger housing sites. In terms of allocating specific sites the support was not as strong with concerns around deliverability and these respondents were looking for a more flexible approach. In regard to smaller low-cost self-build housing units there was quite a lot of support linked to the higher cost of housing in the District.

Many of the respondents however seemed to believe that self-build and custom build development would not be built to a high standard and that they did not have to comply with the design policy. This is not the case, as with all other development in the District they would have to conform to the Council's reviewed design policy as well as Building Regulations.

10.0 QUESTIONS 34 TO 38 SUMMARY

- 10.1 **Question 34** - Designing beautiful spaces and buildings, how important do you think it is that we should actively plan to create beautiful spaces and buildings?

This question was answered 235 times.

- 10.2 There is considerable support for the active planning of beautiful spaces and buildings, especially as this is now a requirement of the NPPF and

National Design Guidance. Respondents have pointed out that 'beauty' is however subjective, and question how this will be judged. Good design is not just about looking good; places and buildings also need to function well.

- 10.3 Comments highlighted that well designed places and spaces can reduce public health and policing costs by benefiting people's health and wellbeing, encouraging walking and cycling, enabling social interactions, creating safer places, boosting the local economy and tourism, and reducing pollution. Several comments highlighted that the way we use and value our local open spaces has changed during the Covid-19 pandemic, and that having accessible open space in, and around residential development is crucial to people's well-being. Some felt that design criteria/ design codes should not be overly prescriptive, or stifle development, but rather, should encourage creativity and innovation. Although there was support for more specific design guidance for medium and large developments.

Frequently mentioned design considerations in the comments:

- Essential to retain local character, use vernacular architecture
- New development should complement the character and nature of the local area
- Needs to be well designed - liveable places, building proportions, quality of materials, windows, spaces around buildings, not crammed in, mix of architectural styles and housing types
- Places and buildings need to function well
- Protect existing and create new green / open spaces, use native planting, and be wildlife friendly
- Affordable
- Sustainable
- Mitigate climate change - efficient buildings, green energy - EV charging
- Support innovative design
- Connected footpaths, cycle ways and bridleways from residential areas to employment, community facilities and outdoor spaces.

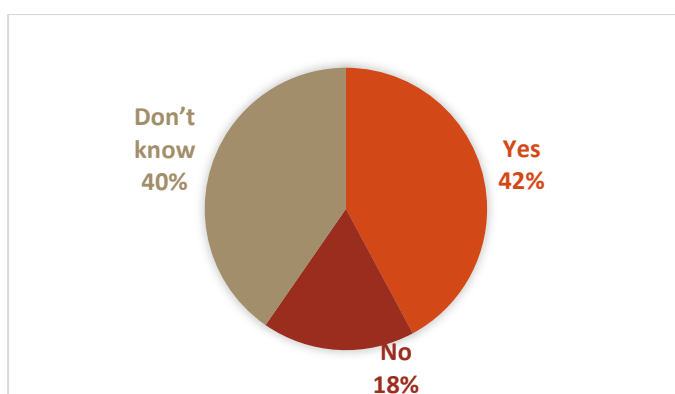
- 10.4 **Question 35.** What do you think about the design policy in the LDP 2017 (Policy D1) and the Maldon District Design Guide Supplementary Planning Document 2018? Do they need amending?

This question was answered 121 times.

- 10.5 Many of the consultees have recognised that the design policy and MDDG need to be revised to ensure that they are up to date with the current NPPF and National Design Guide. Similar numbers of comments were made that the current policy was either too flexible, or too prescriptive. There was a general view that design wasn't taken seriously enough in the Council's planning decisions, and that the guidance already in place was not being used consistently. A range of interesting amendments were suggested, including the following topics:

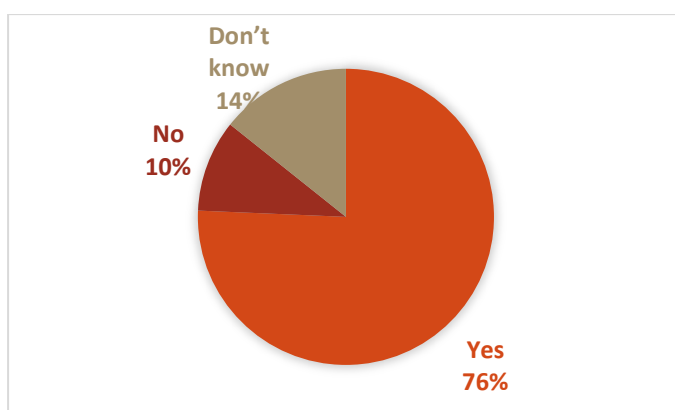
- Using simpler language
- Enabling more active design
- Adding information on engaging with the emergency services
- More innovative design
- Design response to climate change/net zero/energy efficiency
- Specialist housing / adaptable housing/ lifetime homes
- Access and connectivity (walkers/cyclists/horse riders)
- Biodiversity/nature conservation
- Quality of materials / modern materials and modern methods of construction /recycled materials

10.6 **Question 36** - Should the Council seek to endorse the Essex Design Guide with a Maldon District supplementary section? Would this be a more flexible approach to design?



10.7 Similar numbers of respondents agreed, disagreed, or didn't express a preference on the Council endorsing the Essex Design Guide; which does not only cover residential development, but also commercial, green spaces and highways. In this respect, there was no clear policy steer from the consultees. There was, however, consensus that design guidance needs to be flexible and result in development that fits in with the local area.

10.8 **Question 37** - Should the Council in its design policy encourage support for modern innovative design and design to counter the effects of climate change?



10.10 The encouragement for modern/contemporary design was generally supported, although some commentators did not like the look of modern/contemporary design and others raised concerns that such designs may not be suitable in all areas, in particular historic areas and villages. There was widespread support for design that countered the effects of climate change, although concern was raised about the additional build costs this could result in, and whether this would fit in with existing local character. The increasing standards in the Building Regulations will result in costs coming down over time, as green building technologies and techniques become more mainstream. It does need to be recognised that responding to climate change may lead to changes being made to building designs and development layouts which diverge from the existing local character, but that this will not automatically mean a loss of aesthetics if done well. From the responses, it is clear that the LDP needs to be flexible enough to accommodate rapid changes in building technologies and to not overly restrict design styles. Suggestions for policy included encouraging Modern Methods of Construction; the reuse of recycled building materials; and the requirement for energy efficient measures such as solar panels. Some people suggested that the Building Regulations, National Design Guidance and Essex Design Guidance be used, whilst others supported having local design guidance.

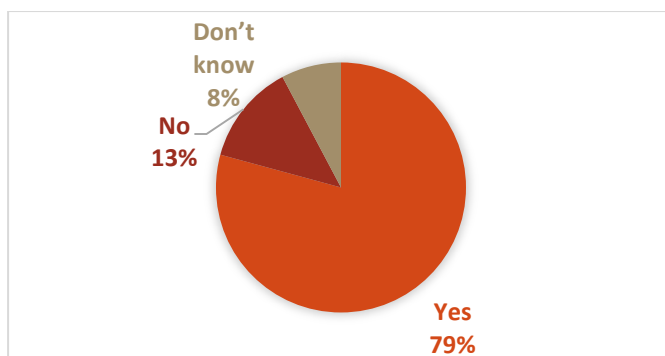
10.11 **Question 38** - Please provide comments below on design matters you consider to be particularly important. We would be especially interested in your views on whether we should include general design guidance on relevant site allocations.

This question was answered 146 times.

10.12 Significant support has been expressed for the provision of bespoke, site-specific design guidance or design codes for site allocations. The view is that these do not need to replicate District level design guidance but should focus on site specific issues. No consultee disagreed with the idea of having design guidance for site allocations. The general view is that new development should complement existing local character and be designed with the local context in mind. Many consultees prefer traditional, vernacular architecture, although others are fully supportive of innovative design. A key theme running throughout the responses has been the need for environmentally conscious, climate resilient, low carbon, and energy efficient development. Strong support was expressed for incorporating alternative energy technologies, such as heat pumps and solar panels.

11.0 QUESTIONS 39 TO 42 SUMMARY

11.1 **Question 39** - Should the LDP Review make climate change one of its key priorities?

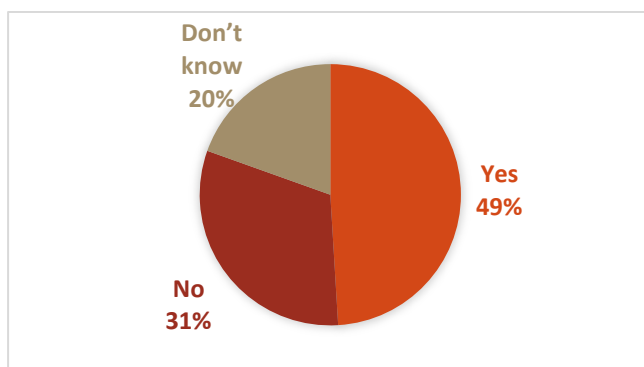


- 11.2 **Question 40** - What do you consider to be important in terms of development and climate change? Are on-site renewables such as photovoltaics, ground source heat pumps, etc as important/more important as off-site renewable energy projects such as on-land wind farms, solar farms, district heating networks, etc?

This question was answered 214 times.

- 11.3 In regard to questions 39 and 40, most comments are generally supportive of the use of renewable energy and measures to mitigate climate change. Supportive of both on-site and off-site renewables, but a higher level of support/prioritisation for on-site. Some concern over off-site about the other potential impacts it can have (visual impact, ecology etc). There was an emphasis on locating developments in suitably sustainable areas. Concerns over flood risk; avoid building in flood zones and provide flood mitigation.

- 11.4 **Question 41** - Should we plan for net-zero carbon from plan adoption in 2023? This would require all new development to be net-zero carbon upon adoption of the plan. If yes, would the Council need to bring forward any additional guidance to support this?



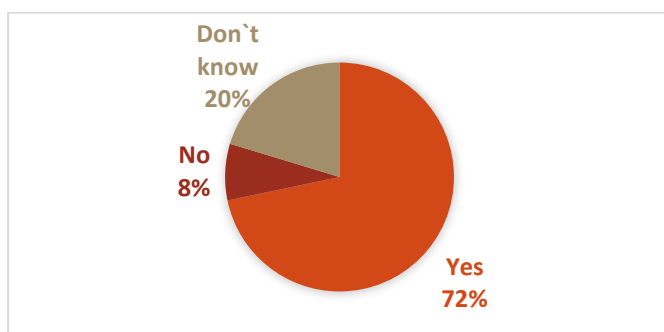
- 11.5 **Question 42** - Should we plan for net-zero carbon from a specific future date? This would require all new development to achieve net zero carbon from a future date in the plan process, set out in policy. It could allow time for the development industry to adjust to the higher standards and may mean we can secure more affordable housing and community benefits from development, earlier on in the plan process.

This question was answered 142 times.

- 11.6 With regard to questions 41 and 42, overall, the comments on this question were positive but concern was raised that whilst it was a positive aspiration, the Council would be unable to meet it or that it would be too costly to make development viable. Given that the time of the adoption of the plan has now slipped the national requirements for development to meet climate change goals may also move and it will be easier to meet net zero carbon targets. The LDP Review will be having a whole plan viability assessment, and this will analyse whether the draft policies would affect development costs in terms of viability. This should allay concerns about the cost of implementing this policy.

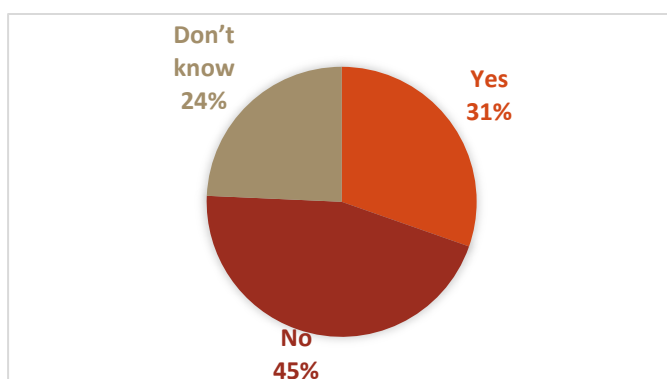
12.0 QUESTIONS 43 TO 51 SUMMARY

- 12.1 **Question 43** - Should the LDP policies strongly support the economy in terms of a transition to a low carbon economy, ensuring development and growth opportunities are supported through this process?

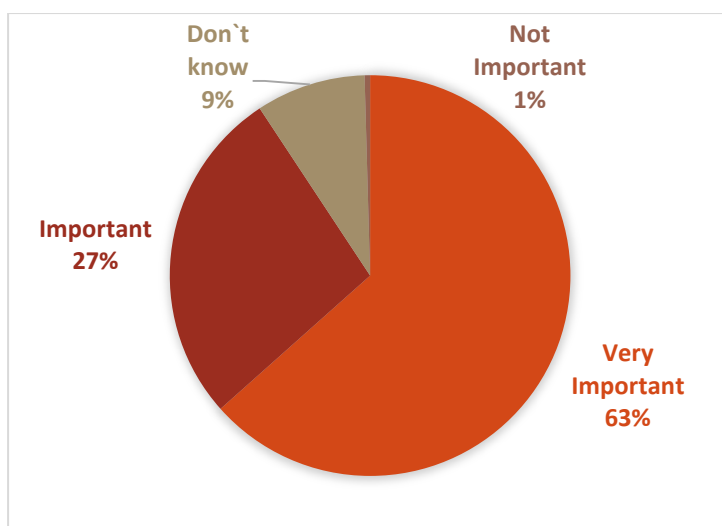


- 12.2 The responses overall are supportive of LDP Review policies that facilitate the transition to a low carbon economy, but there are notable queries and concerns about how this would be achieved and what this would mean for development in the district. There is clear recognition that the transition would require a cross-sector partnership approach, with local businesses and communities being fully engaged in decision-making. Local businesses should be supported in their resilience to recover from the COVID-19 pandemic and in their resilience to respond to changes in the employment sectors and labour markets.
- 12.3 Some respondents commented that the infrastructure deficit in the district already resulted in a lack of connectivity, and that this has an adverse impact on businesses looking to relocate or grow. Not all respondents understood that climate action requires the decarbonisation of all sectors of the economy to meet legally binding Net Zero targets and is therefore, a national and local priority for policymaking and decision-taking. This lack of awareness and understanding about the scope and scale of climate action or that climate action is a key part of sustainable development was further evident in suggestions that there should be exceptions made for climate action in rural areas and by default, a more gradual transition to a low carbon economy as part of sustainable development.

- 12.4 **Question 45** - Should the Council contain a policy preventing the redevelopment of employment premises to residential units? If so, should the scope of such a policy be limited in any way? Please explain the rationale for your answer.

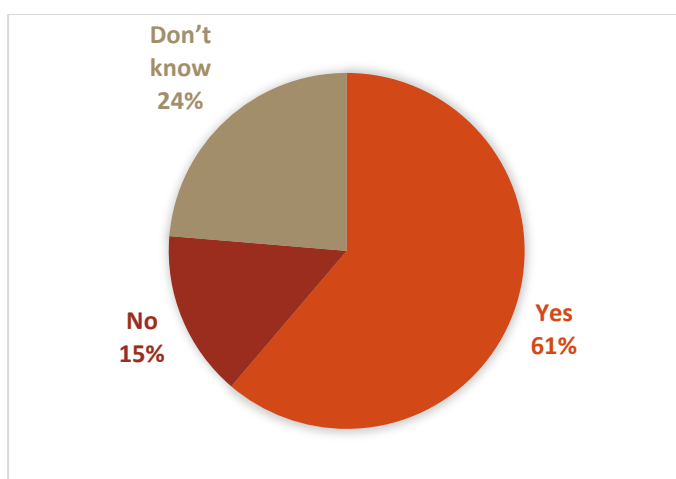


- 12.5 The responses overall recognise the importance of balancing the competing interests of land for employment and housing through flexible planning policies that plan positively for redevelopment, but there are notable concerns about employment land being developed too easily for housing because of the potential greater profit to be made. Those respondents who expressed concern typically valued a reactive 'case by case' approach to decision making instead of a specific policy. It is clear that any policy would need to be clearly justified to alleviate any concerns and contain a criteria-based approach that would demonstrate sufficient rigour. There is a clear need to increase the understanding and value to the district of a 'plan-led' system and the importance of planning positively for sustainable development.
- 12.6 A number of respondents highlighted the changes to people's work-life balance as a result of the COVID-19 pandemic that could potentially lead to permanent changes for land-use requirements, particularly given the rise in home working and decrease in commuting. Some respondents commented that the infrastructure deficit in the district needed addressing prior to the development of more housing, but that this should not be to the detriment of the district as a place to live and work.
- 12.7 **Question 46** - How important is the rural economy?



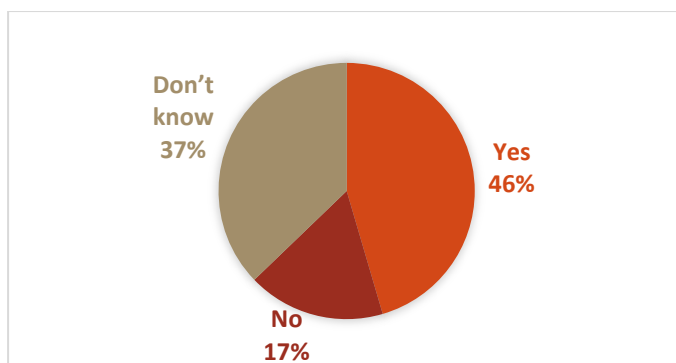
12.8 Overall, there was strong support for the proposal that the rural economy should be supported and from the responses it comes across as an important component of life within the District.

12.9 **Question 47** - Should the Council support the development of live/work housing units?



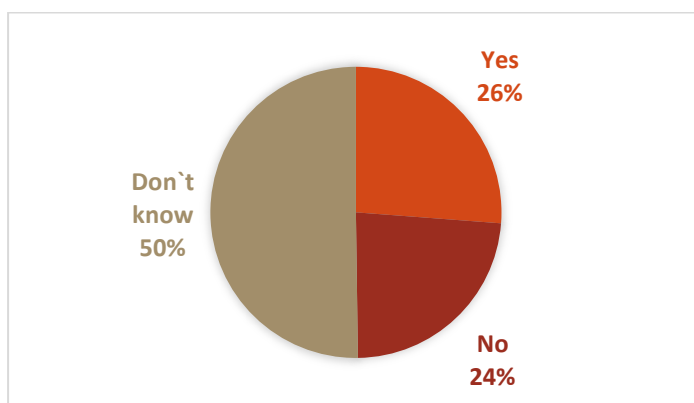
12.10 There is support noted for live/work housing units in response to changing work patterns and the rise in homeworking. The reduction in work-related car journeys was welcomed and viewed as a way to reduce overall carbon emissions from the district, but respondents highlighted the need to ensure that sufficient infrastructure is in place to optimise this transition. Improvements to transport and digital connectivity were included in more general comments about the general design of new housing and employment hubs that respond to the market but that also reflect climate action. Respondents clearly recognise the opportunities that live/work housing units provide, although some were reticent about the size and scale of any work-related uses permitted.

12.11 **Question 48** - Should the nature, size and type of policy support noted for Maldon and Burnham-on-Crouch's High Streets' change? How would you like the high street to change?



12.12 Respondents were generally supportive of local businesses and the number of independent shops on the high street in Maldon and Burnham and a wish for it to remain this way, although some consider the high street as a concept to have already declined. Comments such as providing more parking, reducing and/or eliminating parking fees, pedestrianisation, reducing business rates, stopping the impact of online shopping are not matters the LDP can address, but they are wider issues the council should be aware of. Some comments were saying that there are too many coffee shops/betting shops/charity shops, and that there was a need for a wider range of different uses. A few comments supporting social/leisure/community uses on the high street in order to combat isolation and loneliness. One comment noted there should be more support for village high streets and not just Maldon and Burnham High Streets, to reduce the need to travel.

12.13 **Question 49** - Do you believe this policy (Policy E5 in LDP 2017) requires modification? If so, how would you like to see it changed?



12.14 **Question 50** - Do you believe this policy (Policy E5 in LDP 2017) encourages tourism or is it too restrictive?

This question was answered 102 times.

12.15 In regard to questions 48 and 49, more than half of comments consider the policy to be too restrictive and that tourism should be encouraged; some comments stating tourism should be encouraged but not to the detriment of considerations such as the character of an area, ecology etc and ensure there is enough parking. Some comments consider the policy to be appropriate as it is currently, however there is limited explanation as

to why this is. A few comments from people who do not want to encourage tourism or are unsure.

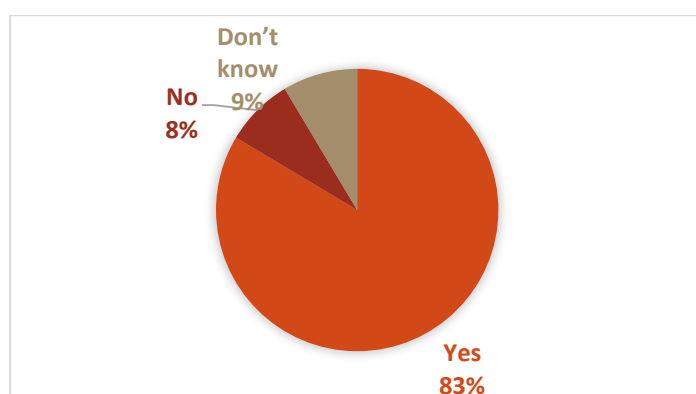
- 12.16 **Question 51** - How could planning policy encourage more visitors to the District other than day visitors?

This question was answered 120 times

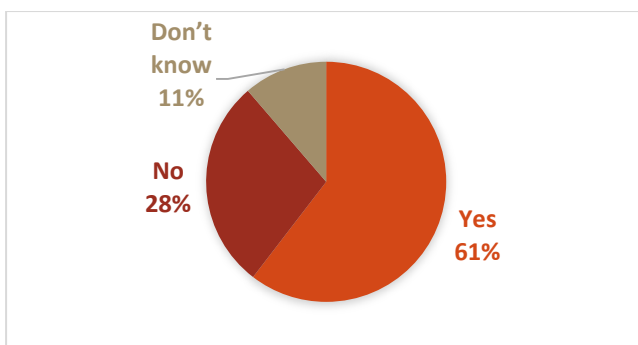
- 12.17 Majority of respondents were supportive of developments for tourists, particularly tourist accommodation including camping and caravan sites, however it was considered the current policy was not overly supportive of tourism. It was also noted more tourist attractions were needed that took advantage of the district's landscapes. Comments were also submitted regarding better promotion of the district and its offerings which are matters outside the LDP Review, but which the council should be aware of.

13.0 QUESTIONS 52 TO 60 SUMMARY

- 13.1 **Question 52** - Should the Council consider having protected landscape views in the District, even though this even though this may place development pressure elsewhere?

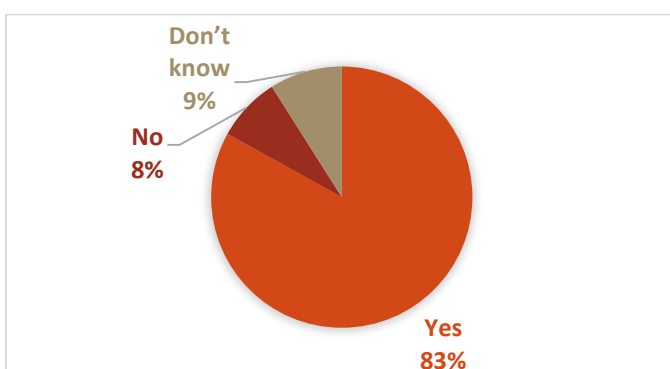


- 13.2 The majority of respondents were in favour of protecting landscape views however concern was raised regarding how this would be achieved and whether this would be found sound at examination as national guidance has moved away from local designations.
- 13.3 **Question 53** - In terms of access and sustainable transport in the District, what is most important to you?
- This question was answered 201 times.
- 13.4 **Question 54** - Should the Council focus future growth on those areas with higher levels of commuter access either by bus or train?

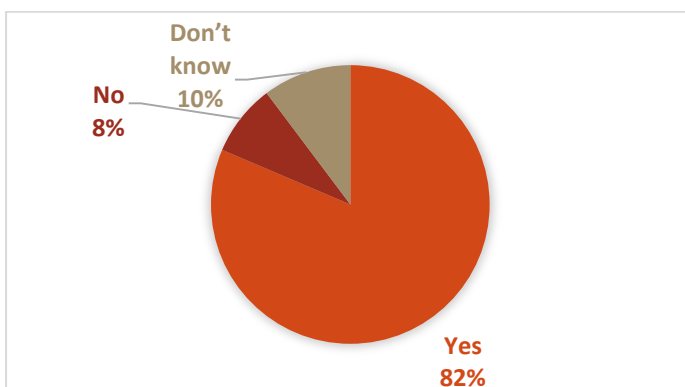


13.5 In regard to questions 53 and 54, many of the respondents are concerned about the transport networks across the District. Overall, respondents felt that development should be located where there is access to bus or train networks. They are seeking a better more sustainable transport system in the District but there is also a recognition that the District is more rural in nature and that the car is still required. Improvements to cycle lanes and accessibility for walking are seen as important, as are improved bus services.

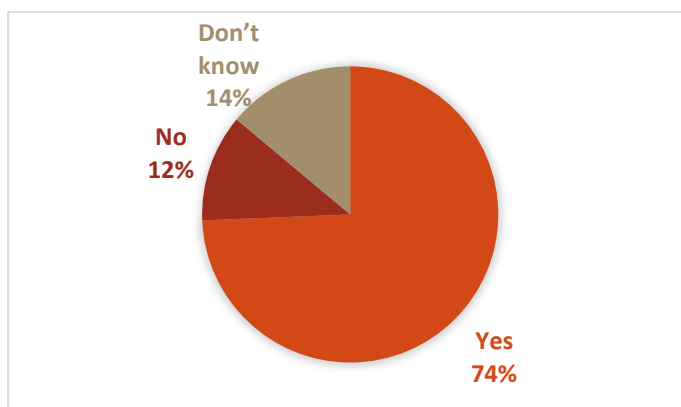
13.6 **Question 55** - Should all new development be linked to its settlement by a footpath wide enough to accommodate a wheelchair or double buggy/pram?



13.7 **Question 56** - Should development have to demonstrate that it can provide safe footpath/cycle links/ connections, which incorporate green infrastructure and support active travel choices?

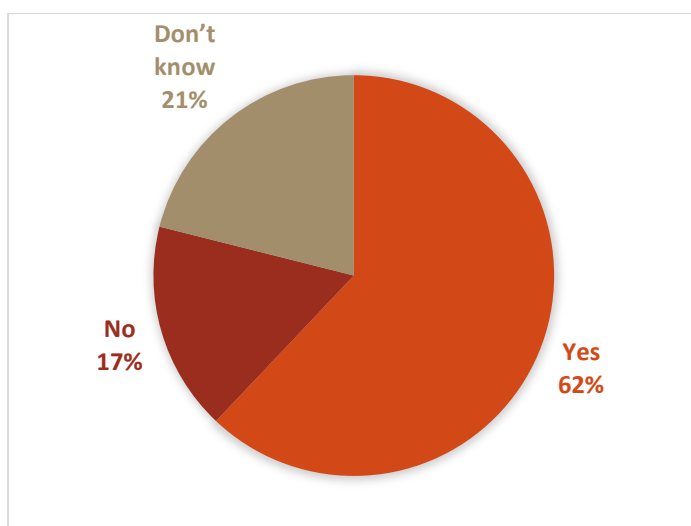


- 13.8 In regard to questions 55 and 56, the majority of the respondents were supportive of the proposals, but there was also support to include cycle lanes and bridle ways.
- 13.9 **Question 57** - Should the council continue to explore and support complementary projects delivered outside the planning system that can support travel choice and a shift away from the use of the car in the District?



13.10 Whilst many respondents could see the benefit of exploring complementary projects and initiatives delivered outside the planning system to move away from car use, there was a sense of realism in many answers. These recognised that large parts of the District were rural and remote in nature, settlements more scattered and that there were therefore practical limitations in what can be achieved with cars felt to be a necessity for many people. However, there was support for improvements in towns. The Dengie Dart was mentioned specifically as being good for local communities. There were suggestions of the council supporting the roll out of other projects which were technology-based (such as increasing electric vehicle charging points, lift-sharing, and self-driving vehicles), that were mode-based (such as getting more commuter/shopper bus services in the District, more bridleways/cycle lanes, re-instating railway links to Maldon, demand-responsive transport, etc) and that were place-based (such as transport link improvements between Maldon and Crouch Valley Railway, improvements between Tollesbury & Tiptree, traffic speed measures.)

- 13.11 **Question 58** - Should the Council take into account the advantages of locations which stand to offer the better chance of securing new infrastructure due to critical massing of development?



13.12 Whilst many respondents could see the benefit of critical massing of development to stand a better chance of securing new various forms of new or expanded infrastructure, there were many caveated answers. These included assumptions that existing towns or certain scales of settlement might already offer better economies of scale than other alternatives and critical mass could work better in these more established locations.

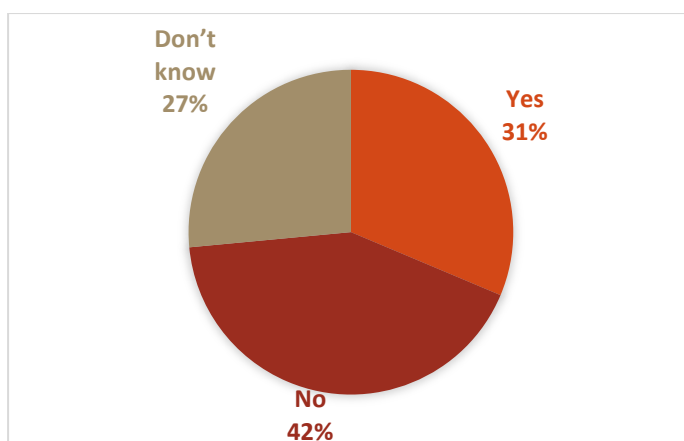
There were comments that the District does not have the infrastructure to support existing growth and this will just get worst if investment in infrastructure does not come before development, which is the way the current S106/CIL arrangements work.

Some assumed the term infrastructure in the question only meant transport related projects, rather than infrastructure in more general terms and that the council should not write-off locations that already have good transport infrastructure or capacity to otherwise take more development.

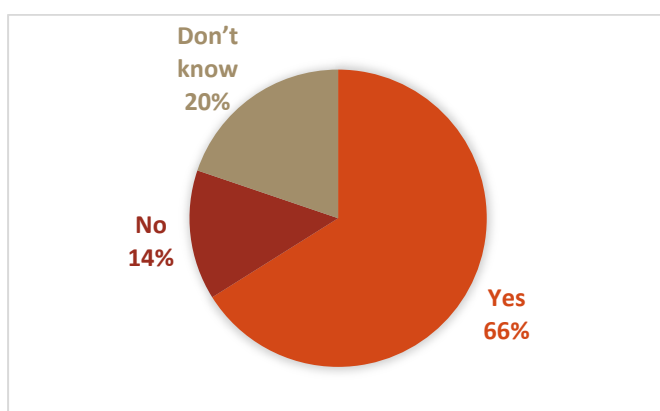
It was also pointed out whilst critical massing can often secure new infrastructure, this should not mean the council does not consider what local advantages smaller scale developments offer as well.

Of those that disagreed or were doubtful of this approach, there was concern that development would promise but still not deliver like is believed to have occurred previously; that it should instead be prioritised where there was capacity in infrastructure/services and then focused on sustainable settlements in larger villages where some other services already exist which would enable smaller developers to bring benefits more in proportion to settlements; or that this approach would be impact on the uniqueness of Maldon District if focussing growth in one location. There were also concerns this approach would just lead to a few bigger developments which are not favourable.

13.13 **Question 59** - Affordable housing is often the biggest influence on viability, so should the Council continue to prioritise this policy requirement over other infrastructure contributions or design quality across the District?



- 13.14 The respondents were split in their comments with slightly more respondents not in favour, but there were caveats in that it should not be at the expense of infrastructure and quality design. There were also some respondents who were concerned about the affordability of housing in the District. The NPPF does set out that the Council should deliver all of its housing need and that does include affordable housing. The Local Housing Needs Assessment sets out what that need is and the Council in its review of the LDP will have to ascertain whether this is possible along with the infrastructure, design, and climate change requirements of development. In order to make sure policy constraints do not make development unviable the LDP will have a whole plan viability assessment.
- 13.15 **Question 60** - Should we consider spare capacity within our existing infrastructure when we determine where new development should go?



- 13.16 The majority of respondents were supportive of the statement that spare capacity within existing infrastructure should determine where new development should go. Though there were concerns that this should not be the only criteria for the selection of growth areas. This is a legitimate concern because there are a number of factors which will help the Council select firstly its growth areas and then the sites which should be allocated. Some of the respondents believed that there was no spare capacity.



REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

CAPITAL AND INVESTMENT STRATEGIES FOR 2023 / 24 AND MINIMUM REVENUE STATEMENT 2023 / 24

1. PURPOSE OF THE REPORT

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

2. RECOMMENDATIONS

That the Council approves:

- (i) the Capital Strategy (**APPENDIX 1**),
- (ii) the Capital Project Bids (**APPENDIX 2**),
- (iii) Investment Strategy (**APPENDIX 3**), and
- (iv) Minimum Revenue Provision Statement (**APPENDIX 4**)

3. SUMMARY OF KEY ISSUES

- 3.1 This report details the intended capital expenditure plans and funding arrangements and sets Prudential Indicators against which actual expenditure and borrowing should be monitored. The Capital Strategy for 2023 / 24 is at **APPENDIX 1**.
- 3.2 The Capital Project Bids is at **APPENDIX 2** as discussed at the Strategy and Resources Committee on 10 November 2022.
- 3.3 The Investment Strategy is at **APPENDIX 3**.
- 3.4 The Minimum Revenue Provision is at **APPENDIX 4**.
- 3.5 The Strategies have been compiled with the advice and support of the Council's treasury advisor, Arlingclose Ltd, with the latest available 'outlooks' and interest rate forecasts at the time the strategies were drafted in December 2022.
- 3.6 Please Note: Our Treasury Management Advice service is currently going through a procurement process via tender. This process is transparent and gives all bidders an equal opportunity, to ensure the Council will gain value for money from its next Treasury Management Advice service provider. The winning tenderer will be announced by 28 February 2023.

4. CONCLUSION

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

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Strategies and the Minimum Revenue Provision Statement support all three of the Council's strategic themes of Place, Community and Prosperity. There is a regulatory requirement for the Strategies and therefore the Council will be compliant in approving them before the start of the financial year on 1 April 2023.

6. IMPLICATIONS

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

Background Papers:

Interest Rate Forecasts provided by Arlingclose Ltd, the Council's treasury management advisors.

Capital and Investment Strategies Report to Strategy and Resources Committee, 26 January 2023

Enquiries to: Lance Porteous, Lead Specialist, Finance.

Capital Strategy Report 2023/24

Maldon District Council

Introduction

This capital strategy report for 2023/24 gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these technical areas.

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

Capital Expenditure and Financing

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

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

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

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

Table 1: Capital financing in £thousands

	2021/22 Actual	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
External sources (Government & Other Grants)	558	520	831	420	420
Own resources (Capital Receipts)	303	876	355	149	69
TOTAL	861	1,396	1,186	569	489

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

Table 2: Replacement of debt finance in £thousands

	2021/22 Actual	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
Own resources (Capital Receipts)	303	876	355	149	69

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

Table 3: Estimates of Capital Financing Requirement in £thousands

	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget	31.3.2026 budget
General Fund services	(409)	(409)	(409)	(409)	(409)
TOTAL CFR	(409)	(409)	(409)	(409)	(409)

Asset management: To ensure that capital assets continue to be of long-term use, the Council is developing an asset management strategy. There is a risk that without a strategy, future repairs work will not identified, leaving an under-provision in the budget.

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2024/25.

Treasury Management

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

Due to decisions taken in the past, the Council currently has £0m borrowing and £35m treasury investments at an average rate of 1.1%.

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

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

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

	2021 / 22 limit £000	2022 / 23 limit £000	2023 / 24 limit £000	2024 / 25 limit £000	2025 / 26 limit £000
Authorised limit - borrowing	16,500	16,500	16,500	16,500	16,500
Operational boundary - borrowing	7,000	7,000	7,000	7,000	7,000

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

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

Table 5: Treasury Management Investments in £thousands

	31.3.2022 Actual	31.3.2023 Forecast	31.3.2024 Budget	31.3.2025 Budget	31.3.2026 Budget
Near-Term Investments	30,000	25,000	20,000	17,000	15,000
Longer-Term Investments	5,000	5,000	5,000	5,000	5,000
TOTAL	35,000	30,000	25,000	22,000	20,000

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

Investments for Service Purposes

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

Commercial Activities

The Council currently do not have any significant commercial activities for investment returns, however with the continuing pressures on external funding and inflationary costs, consideration is being given to potential projects, which, when evaluated, will follow the appropriate governance route.

Liabilities

The Council is committed to making future payments to cover its pension fund deficit and has also set aside £2.2 m to cover risks of Business Rates appeals, Planning appeals and Insurance claims.

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

Revenue Budget Implications

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

Prudential Indicator: Proportion of financing costs to net revenue stream

	2021 / 22 budget	2022 / 23 budget	2023 / 24 budget	2024 / 25 budget	2025 / 26 budget
Financing costs (£m)	-	-	-	-	-
Proportion of net revenue stream	%	%	%	%	%

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

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

Knowledge and Skills

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

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

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

CAPITAL PROJECT BIDS 2023/24

1. SUMMARY

- 1.1 This appendix outlines the Capital projects that have been put forward by officers prior to the approval of the 2023/24 budget and updated Medium Term Financial Strategy.
- 1.2 The Council's capital programme will need to reflect the three strategic themes set out in the Council's Corporate vision of Place, Community and Prosperity.
- 1.3 The 2023/24 project bids set out in the table below and detailed projects sheets can be found at **Appendix A**. The projects have been categorised by the Finance Working Group into the following two groups and shown on the first page of **Appendix A**:
- Proposed Capital Programme 2023/24: These projects are deemed as essential as failure to carry out the project is likely to have health and safety implications and/or will have fundamental impact on service provision;
- 1.4 As part of the budget strategy the broad principles adopted in relation to capital are that expenditure will be financed from existing useable capital resources and not directly from revenue.
- 1.5 At the start of 2022/23 the Council had capital reserves totalling £2.0m. £0.9m is scheduled to be used to support the 2022/23 capital programme, which will leave £1.1m to support future programmes for 2023/24 and beyond.

The current 5-year capital programme is set out within MDC's Medium-Term Financial Strategy. In the absence of a sizeable capital receipt from a disposal of an asset, the Council will have used up its usable capital receipts within 2 years, at the rate of the Capital Programme suggested for 2023/24. That would mean that any capital programme extending beyond that would have to be funded from borrowing, although the Council is currently debt free. Currently the capital programme shows reduced spending beyond 2023/24 extending the availability of the Capital Receipts Reserve but there are risks involved in reducing capital expenditure also.

- 1.6 The Committee should note that any large capital project(s) as a result of the Commercial Strategy will be presented for consideration on a project by project business case basis under the governance arrangements for the delivery of the Commercial Strategy. The financing options of those project(s) would be included as part of the business case for the project(s).

It is essential that the Council's assets are maintained to ensure continued reliability and service provision either at current or improved level. To that end, repairs and renewals of Council assets are programmed into MDC's Medium-Term Financial Strategy.

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2023 / 24 Service Capital Bids			
Bid No.	Category	Project	£000
Vehicle and Plant Replacement			
1)	E	Replacement Parks Vehicle for EF04 AFU	35
2)	SF	Replacement for Parks NJ59 PRZ	32
Maldon Promenade			
3)	SF	Prom Park - The Valley - Play Galleon	226
4)	SF	Play Equipment Prom Park Sensory	100
Riverside Park			
5)	SF	Riverside Park - Skate Park Equipment and Surface	140
6)	E	Riverside Park Play Site Equipment	45
Total Capital Bids			578

KEY:	
E	Essential
SF	Service Failure

Please note: If you click on the number or description in the table above it will take you directly to that related Capital Bid.

CAPITAL PROJECT SHEET (Bid 1)

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

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Replacement Parks Vehicle for EF04 AFU
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) 	Essential
Project Lead Officer	Joe Poole
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	<p>Replacement of Parks Vehicle EF04 AFU with new vehicle which is suitable for carrying a ride on mower as we have a lack of suitable vehicles for this purpose. Current vehicle is 18 years old and was identified last year and bid was agreed. However the decision was taken for the finances to be spent on a vehicle for another department. The issues that EF04 AFU had have since deteriorated culminating in an accident/near miss where the footplate was used by a member of staff but due to corrosion it gave way and the member of staff fortunately escaped injury. Vehicle is currently out of service and failed MOT 1/9/22 on vehicle structure corrosion and the track rod end being unsafe. Vehicle beyond economical repair. We have been offered £1,000 for the vehicle by a company as the engine is on reasonably low mileage for its age. Therefore does still have some value if we can sell following correct procedures.</p>
Project Start Date <i>(Month and year)</i>	Apr-23
Project Completion Date <i>(Month and year)</i>	Jun-23
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Procurement Process

<p>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></p>	
---------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------


	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source of costs
	£	£	£	£	
2023/24	35,000	35,000		1,000	Potential sale of current vehicle
2024/25					
2025/26					
2026/27					
TOTAL	35,000	35,000	0	1,000	0

CAPITAL PROJECT SHEET

<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>Protecting and shaping the district in aiding the team provide a maintenance service to its parks and open spaces.</p> <p>Delivering good quality, cost effective services by not paying for a vehicle which is old and in need of repair.</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>Potential to look at second hand vehicles to reduce cost but this brings the risk of acquiring vehicles with issues from day one whereas new they will come with a lengthy warranty etc.</p> <p>Potential to look at leasing to spread costs. New Ford vehicles not available until later in the year</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>N/A</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>A member of staff has had an accident due to a defect on EF04 AFU and another near miss. This needs replacing and was identified last year as needing replacing. Decision to use money for another vehicle taken.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>N/A</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p>N/A</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p>Delivery of current Ground Maintenance obligations and will aid future commercial growth of the parks department.</p>

CAPITAL PROJECT SHEET (Bid 2)

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

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Replacement for Parks NJ59 PRZ
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) 	Service Failure
Project Lead Officer	Joe Poole
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	<p>NJ59 PRZ is the next oldest vehicle in the fleet behind EF04 AFU. We would like to replace this vehicle as it is well over the 10 year age that the council works to with regards replacing vehicles. This vehicle was purchased second hand under previous management of the team and we don't feel it sets a good image for a local authority. We would like to replace with a new, reliable vehicle for the team. Potential to trade in NJ59 PRZ to offset the total cost of a new vehicle slightly. NJ59 PRZ currently £3,000 value and EY09 YHE (old maintenance vehicle) £5,000 not included below.</p>
Project Start Date <i>(Month and year)</i>	Apr-23
Project Completion Date <i>(Month and year)</i>	Jun-23
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Procurement Process
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
	£	£	£	£	
2023/24	32,000	32,000		3,000	Trade in vehicle
2024/25					
2025/26					
2026/27					
TOTAL	32,000	32,000	0	3,000	0

CAPITAL PROJECT SHEET

<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 in aiding the team provide a maintenance service to its parks and open spaces. Delivering good quality, cost effective services by not paying for a vehicle which is old and in need of repair</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>Potential to look at second hand vehicles to reduce cost but this brings the risk of acquiring vehicles with issues from day one as we have in the past. Whereas new they will come with a lengthy warranty etc. Potential to look at leasing to spread costs. New Ford vehicles not available until later in the year</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>N/A</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>The council currently does not have a vehicle roadside recovery plan in place for it's fleet of vehicles. It would therefore be even more crucial to replace vehicles that are ageing to try and minimise staff being left stranded roadside with vehicle break downs.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>N/A</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p>N/A</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p>Delivery of current Ground Maintenance obligations and will aid future commercial growth of the parks department.</p>

CAPITAL PROJECT SHEET (Bid 3)

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

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Prom Park - The Valley - Play Galleon
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) 	Service Failure
Project Lead Officer	David Burnham
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	<p>The current large play galleon based at the Prom Park Valley is heavily depreciated and at end of life within the next two years. The current structure, parts and material are becoming unviable to maintain and beyond repair. Due to the current and worsening condition of the equipment the safety risk is increasing to users. There is potential for the condition of the equipment to start contributing to accidents / incidents that could be sustained by users. A new replacement galleon will mitigate the safety risk, it will also ensure that the equipment can be routinely maintained and sustained for a long life period. Part of the works will also see new surfacing installed as this to is end of life and will potential create H&S issues in the near future. The play galleon is used by 100's of adults and children daily during the summer and the volume of use, natural aging / depreciation, environmental factors and anti social behaviour have led to the point of end of life. The galleon life expectancy has been assessed by the independant play site inspector.</p>
Project Start Date <i>(Month and year)</i>	Jan-24
Project Completion Date <i>(Month and year)</i>	Feb-24
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Set time via Maintenance to produce specifications and onsite management. Works to be completed via contractor.



	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source of costs
	£	£	£	£	
2023/24	226,000				
2024/25					
2025/26					
2026/27					
TOTAL	226,000	0	0	0	0

CAPITAL PROJECT SHEET

<p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) <i>Strengthening communities to be safe, active and healthy</i> 2) <i>Protecting and shaping the District</i> 3) <i>Creating opportunities for economic growth and prosperity</i> 4) <i>Delivering good quality, cost effective and valued services</i></p>	<p>Works required for Health & Safety reasons.</p>
<p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p>	<p>No foreseen risks to the delivery of the project other than current cost of living impact, utilities / fuel impact and supply, demand, fluctuation in cost of materials.</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>NA</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>The current galleon is now entering high risk as it is heavily depreciated and rotten in places of the structure, this could contribute to potential accidents and incidents to members of the public and users. The H&S implications are high for potential accidents / incidents with a high likeness and high severity. Completion of the replacement galleon will help mitigate the H&S risks that are currently present. During the passed 5 - 10 years the annual maintenance spend on the galleon has rapidly increased. This is now at the point of becoming unviable. Investment in a new galleon will increase safety and reduce the cost of maintenance for the short to medium term.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>Yes - BSEN 1176 play site safety</p>

Is the project contractually committed to in any way? If so, please describe	NA
Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details	NA

CAPITAL PROJECT SHEET (Bid 4)

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

Reserve Required (Please add detail of the reserve you are requesting funds from)	Play Equipment Prom Park Sensory - Garden
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) 	Service Failure
Project Lead Officer	David Burnham
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	Removal and replacement of current end of life play equipment at the Prom Park sensory gardens play site. Removal and disposal of the 2 x climbing frames, seesaw, roundabout, swings, talk tubes, play panels, springers and multi play unit due to depreciation over the last 20 years. The play equipment currently in place is via multiple manufacturers and there are a number of defective parts and structures which are rotting / corroding to the point of urgent replacement. These play items will be replaced with comparable items from a chosen play manufacturer ensuring the play equipment is safe and sustainable for continued community use and enjoyment. Surfacing works will also be required with the new equipment supply and installation to ensure play regulations are adhered with. These items have also been highlighted via the annual independent play site inspection as high risk.
Project Start Date <i>(Month and year)</i>	Apr-23
Project Completion Date <i>(Month and year)</i>	May-23
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Set time via Maintenance to produce specifications and onsite management. Works to be completed via contractor.

Picture *(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))*



	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source of costs
	£	£	£	£	
2023/24	100,000				
2024/25					
2025/26					
2026/27					
TOTAL	100,000	0	0	0	0

RESERVES PROJECT SHEET

<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>Works required under Health & Safety regulations. Links to 1, 2 & 4.</p>
<p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p>	<p>No foreseen risks to the delivery of the project other than current cost of living impact, utilities / fuel impact and supply, demand, fluctuation in cost of materials.</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>NA</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>The current pieces of equipment are now high risk as they are heavily depreciated and rotten in places, this could contribute to potential accidents and incidents to members of the public and play site users. The H&S implications are high for potential accidents / incidents with a high likeness and high severity. Completion of the replacement items will help mitigate the H&S risks that are currently present.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>Yes - BSEN 1176 play site safety</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p>NA</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p>Yes - There is a wider project for the redevelopment of the sensory garden site with landscaping, walkways and innovative items to replace the current maze.</p>

CAPITAL PROJECT SHEET (Bid 5)

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

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Riverside Park - Skate Park Equipment and Surface. Burnham on Crouch.
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) • Commercial (C) 	Service Failure
Project Lead Officer	David Burnham
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	<p>The current skate equipment (ramps / rides) based at Riverside Park are heavily depreciated and at end of life. The current items are becoming unviable to maintain and beyond repair. Due to the current and worsening condition of the equipment the safety risk is increasing. There is potential for the condition of the equipment to start contributing to accidents / incidents that could be sustained by users. New replacement equipment will mitigate the unsafe equipment risk, it will also ensure that the equipment can be routinely maintained and sustained for a long life period. Part of the works will also see new surfacing installed and resurfacing in some areas as this is end of life and will potential create Health & Safety issues in the near future.</p>
Project Start Date <i>(Month and year)</i>	Sep-23
Project Completion Date <i>(Month and year)</i>	Oct-23
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Set time via Maintenance to produce specifications and onsite management. Works to be completed via contractor.

Picture *(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))*



	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source of costs
	£	£	£	£	
2023/24	140,000				
2024/25					
2025/26					
2026/27					
TOTAL	140,000	0	0	0	0

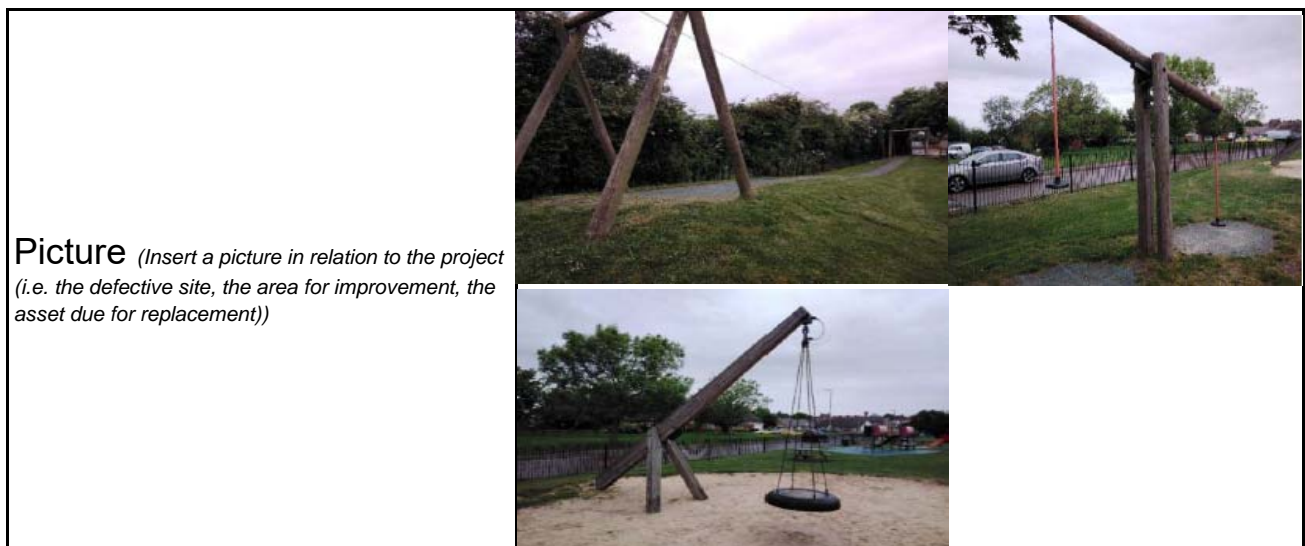
CAPITAL PROJECT SHEET

<p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i></p> <p>1) Strengthening communities to be safe, active and healthy</p> <p>2) Protecting and shaping the District</p> <p>3) Creating opportunities for economic growth and prosperity</p> <p>4) Delivering good quality, cost effective and valued services</p>	<p>Works required for Health & Safety reasons.</p>
<p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p>	<p>No foreseen risks to the delivery of the project other than current cost of living impact, utilities / fuel impact and supply, demand, fluctuation in cost of materials.</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>NA</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>The current pieces of equipment are now high risk as they are heavily depreciated, broken and rotten in places, this could contribute to potential accidents and incidents to members of the public and users. The H&S implications are high for potential accidents / incidents with a high likeness and high severity. Completion of the replacement items will help mitigate the H&S risks that are currently present.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>Yes - BSEN 1176 play site safety</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p>NA</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p>NA</p>

CAPITAL PROJECT SHEET (Bid 6)

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

Reserve Required (Please add detail of the reserve you are requesting funds from)	Riverside Park Play Site Equipment
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) 	Essential
Project Lead Officer	David Burnham
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	Removal and replacement of current end of life play equipment at Riverside Park. Removal and disposal of the cableway, scales and tyre swing due to depreciation over the last 25 years. The manufacturer for these items is no longer in existence for purchasing of parts and replacement and the current timber structures are rotting to the point of urgent replacement. These play items will be replaced with comparable items from a chosen play manufacturer ensuring the play equipment is safe and sustainable for continued community use. Surfacing works will also be required with the new equipment supply and installation to ensure regulations are achieved. These items have also been highlighted via the annual independent play site inspection.
Project Start Date <i>(Month and year)</i>	Jun-23
Project Completion Date <i>(Month and year)</i>	Jul-23
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources, maintenance costs))</i>	Set time via Maintenance to produce specifications and onsite management. Works to be completed via contractor.



	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source of costs
	£	£	£	£	
2023/24	45,000				
2024/25					
2025/26					
2026/27					
TOTAL	45,000	0	0	0	0

RESERVES PROJECT SHEET

<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>Works required for Health & Safety reasons.</p>
<p>Are there any risks to the delivery of this project in the timeframe and/or costs detailed above. (Please provide details).</p>	<p>No foreseen risks to the delivery of the project other than current cost of living impact, utilities / fuel impact and supply, demand, fluctuation in cost of materials.</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>NA</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p>The current pieces of equipment are now high risk as they are heavily depreciated and rotten in places, this could contribute to potential accidents and incidents to members of the public and play site users. The H&S implications are high for potential accidents / incidents with a high likeness and high severity. Completion of the replacement items will help mitigate the H&S risks that are currently present.</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p>Yes - BSEN 1176 play site safety</p>
<p>Is the project contractually committed to in any way? If so, please describe</p>	<p>NA</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p>NA</p>

Investment Strategy Report 2023/24

Maldon District Council

Introduction

The Authority invests its money for two broad purposes:

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

Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of Treasury Management Investments is expected to fluctuate between £16m and £35m during the 2023/24 financial year.

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

Further details: Full details of the Authority's policies and its plan for 2023/24 for Treasury Management Investments are covered in a separate document, the Treasury Management Strategy.

Capacity, Skills and Culture

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

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

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

Investment Indicators

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

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

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

Table 1: Total investment exposure in £millions

Total Investment Exposure	31.03.2022 Actual £000	31.03.2023 Forecast £000	31.03.2024 Budget £000
Treasury Management Investments	£30,457	£25,000	£20,000
Financial Investments	£5,000	£5,000	£5,000
TOTAL INVESTMENTS	£35,457	£30,000	£25,000
TOTAL EXPOSURE	£35,457	£30,000	£25,000

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

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

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

Investments net rate of return	31.03.2022 Actual £000	31.03.2023 Forecast £000	31.03.2024 Forecast £000
Treasury Management Investments	0.1%	0.5%	2.8%
Financial Investments	3.8%	3.8%	3.8%
ALL INVESTMENTS	0.7%	1.1%	3.0%

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

Minimum Revenue Provision Statement 2023/24

Annual Minimum Revenue Provision Statement 2023/24

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

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

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

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

Based on the Authority's latest estimate of its capital financing requirement (CFR) on 31st March 2022, the budget for MRP has been set as follows:

Replacement of debt finance in £ 000's

	2021/22 Actual £000's	2022/23 Forecast £000's	2023/24 Budget £000's	2024/25 Budget £000's	2025/26 Budget £000's
Own resources (General Fund services)	226	226	226	226	226

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REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

TREASURY MANAGEMENT STRATEGY 2023 / 24

1. PURPOSE OF THE REPORT

- 1.1 The Code of Practice for Treasury Management requires the Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Code. Members are therefore asked to consider and recommend to Council the Treasury Management Strategy for 2023 / 24.

2. RECOMMENDATION

That the Treasury Management Strategy 2023 / 24 (**APPENDIX 1**) be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Treasury Management Strategy for 2023 / 24 is attached at **APPENDIX 1** and the supporting Treasury Management Practices are attached at **APPENDIX 2**.
- 3.2 The Strategy has been reviewed by the Council's Treasury Advisor, Arlingclose Ltd and includes their latest Interest Rate and Economic Outlooks at the time of writing in December 2022.
- 3.3 The strategy is unchanged from the 2022 / 23 Treasury Management Strategy.
- 3.4 The Treasury Management Policy is unchanged from 2022 / 23.

4. CONCLUSION

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

5. IMPACT ON STRATEGIC THEMES

- 5.1 This Strategy links to the Council's organisational focus on performance and efficiency.

6. IMPLICATIONS

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

Background Papers:

Economic Background and Outlook and Interest Rate Forecasts provided by Arlingclose Ltd, the Council's treasury management advisors.

Treasury Management Strategy Report to Strategy and Resources Committee, 26 January 2023.

Enquiries to: Lance Porteous, Lead Specialist, Finance.

Treasury Management Strategy Statement 2023/24

Maldon District Council

Introduction

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

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

External Context

Economic background: The ongoing impact on the UK from the war in Ukraine, together with higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, will be major influences on the Authority's treasury management strategy for 2023/24.

The Bank of England (BoE) increased Bank Rate by 0.5% to 3.5% in December 2022, the eighth successive rise since December 2021. The decision was voted for by a 6-3 majority of the Monetary Policy Committee (MPC).

The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than in the August report, due in part to the government's support package for household energy costs, inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.

The UK economy grew by 0.2% between April and June 2022, but the BoE forecasts Gross Domestic Product (GDP) will decline 0.75% in the second half of the calendar year due to the squeeze on household income from higher energy costs and goods prices. Growth is then expected to continue to fall throughout 2023 and the first half of 2024.

CPI inflation is expected to peak at around 11% in the last calendar quarter of 2022 and then fall sharply to 1.4%, below the 2% target, in two years' time and to 0% in three years' time if Bank Rate follows the path implied by financial markets with a peak of 5.25%. However the BoE has stated it considers this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target.

The labour market remains tight for now, with the most recent statistics showing the unemployment rate fell to 3.5%, driven mostly by a shrinking labour force. Earnings were up strongly in nominal terms by 6% for total pay and 5.4% for regular pay but factoring in inflation means real total pay was -2.4% and regular pay -2.9%. Looking forward, the MPR shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.

Interest rates have also been rising sharply in the US, with the Federal Reserve increasing the range on its key interest rate by 0.75% in November 2022 to 3.75%-4.0%. This was the fourth successive 0.75% rise in a pace of tightening that has seen rates increase from 0.25%-0.50% in March 2022. Annual inflation has been slowing in the US but remains above 8%. GDP grew at an annualised rate of 2.6% between July and September 2022, a better-than-expected rise, but with official interest rates expected to rise even further in the coming months, a recession in the region is widely expected at some point during 2023.

Inflation has been rising consistently in the Euro Zone since the start of the year, hitting an annual rate of 10.7% in October 2022. Economic growth has been weakening with an expansion of just 0.2% in the three months to September 2022. As with the UK and US, the European Central Bank has been on an interest rate tightening cycle, pushing up its three key interest rates by 0.75% in October, the third major increase in a row, taking its main refinancing rate to 2% and deposit facility rate to 1.5%.

Credit outlook: Credit default swap (CDS) prices have followed an upward trend throughout the year, indicating higher credit risk. They have been boosted by the war in Ukraine, increasing economic and political uncertainty and a weaker global and UK outlook, but remain well below the levels seen at the beginning of the Covid-19 pandemic.

CDS price volatility has been higher in 2022 compared to 2021 and this year has seen a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

The weakening economic picture during 2022 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several local authorities and financial institutions, revising them from to negative from stable.

There are competing tensions in the banking sector which could impact bank balance sheet strength going forward. The weakening economic outlook and likely recessions in many regions increase the

possibility of a deterioration in the quality of banks' assets, while higher interest rates provide a boost to net income and profitability.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast: The Council's treasury management adviser, Arlingclose, forecasts that Bank Rate will continue to rise in 2023 as the Bank of England attempts to subdue inflation which is significantly above its 2% target.

While interest rate expectations reduced during October and November 2022, multiple interest rate rises are still expected over the forecast horizon despite looming recession. Arlingclose expects Bank Rate to rise to 4.25% by June 2023 under its central case, with the risks in the near- and medium-term to the upside should inflation not evolve as the Bank forecasts and remains persistently higher.

Yields are expected to remain broadly at current levels over the medium-term, with 5-, 10- and 20-year gilt yields expected to average around 3.6%, 3.7%, and 3.9% respectively over the 3-year period to September 2025. The risks for short, medium and longer-term yields are judged to be broadly balanced over the forecast horizon. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

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

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate/yield of 2.8%, and that no new long-term loans will be borrowed.

Local Context

As of 31 December 2022, the Council held no borrowing and £35m of investments. This is set out in further detail later in Appendix B. £15m of these are unusable reserves. Of the remaining £20m, £15m are usable reserves and £5m is working capital. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.22 Actual £000	31.3.23 Estimate £000	31.3.24 Budget £000	31.3.25 Forecast £000	31.3.26 Forecast £000
General Fund CFR	-409	-409	-409	-409	-409
Usable reserves	-15,263	-11,221	-8,303	-5,402	-1,946
Working capital	-5,023	-2,600	-2,600	-2,600	-2,600
Investments	-20,695	-14,230	-11,312	-8,411	-4,955

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

The Council is currently debt free and its capital expenditure plans imply no need to borrow over the forecast period. Investments are forecast to fall to £6.5m by 31 March 2026 as capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2023/24.

Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk. The table shows MDC will not drop below the £10m minimum investment during 2024/25 for the foreseeable future.

Table 2: Liability benchmark

	31.3.22 Actual £000	31.3.23 Estimate £000	31.3.24 Budget £000	31.3.25 Forecast £000	31.3.26 Forecast £000
General Fund CFR	-409	-409	-409	-409	-409
Usable reserves	-15,263	-11,221	-8,303	-5,402	-1,946
Working capital	-5,023	-2,600	-2,600	-2,600	-2,600
Minimum Investments	10,000	10,000	10,000	10,000	10,000
Liability benchmark	-10,695	-4,230	-1,312	1,589	5,045

Borrowing Strategy

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

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

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

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

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

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

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

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

Treasury Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £26m and £36 million. Levels are expected to decrease in the forthcoming year as reserves are used to fund capital and revenue expenditure.

Objectives: The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The 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 income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Authority aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

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

Strategy: As demonstrated by the liability benchmark above, the Authority expects to be a long-term investor and treasury investments will therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services. However, the minimum investment level of £10m will not be maintained beyond 2023/24 unless a more sustainable Medium Term Financial Strategy is developed.

ESG policy: Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Authority's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Authority will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

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

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

Table 3: Treasury investment counterparties and limits

Sector	Time limit	Counterparty limit	Proposed Counterparty Limit	Current Sector limit	Proposed Sector Limit
The UK Government	50 years	Unlimited	Unlimited	n/a	n/a
Local authorities & other government entities	25 years	£2m	£2m	Unlimited	Unlimited
Secured investments	25 years	£2m	£2m	Unlimited	Unlimited
Banks (unsecured investments)	13 months	£2m	£2m	Unlimited	Unlimited
Banks (operational banking)	Ongoing	£2m	£3m	Unlimited	Unlimited
Building societies (unsecured)	13 months	£2m	£2m	£5m	£5m
Registered providers (unsecured)	5 years	£2m	£2m	£5m	£5m
Money market funds	n/a	£5m	£5m	£20m	£20m

Sector	Time limit	Counterparty limit	Proposed Counterparty Limit	Current Sector limit	Proposed Sector Limit
Strategic pooled funds	n/a	£5m	£5m	£12m	£12m
Real estate investment trusts	n/a	£5m	£5m	£12m	£12m
Other investments	5 years	£2m	£2m	£5m	£5m

This table must be read in conjunction with the notes below

Minimum credit rating: Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than [A-]. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

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

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

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

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

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

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their

performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

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

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore have kept below £3m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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

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

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

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

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

Investment limits: The Council's revenue reserves available to cover investment losses were forecast to be £4.6 million on 31st March 2023. In order that available reserves will not significantly be put at risk in the case of a single default, the maximum that will be lent to any one organisation including UK

Local Government Authorities (other than the UK Government) will be £2 million (excluding Natwest, the Council's operational bank). A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

	Cash limit
Any single organisation, except the UK Central Government	£2m each
UK Central Government	unlimited
UK Local Government Authorities	£2m per Council
Any group of organisations under the same ownership	£2m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Registered providers and registered social landlords	£2m in total
Unsecured investments with building societies	£5m in total
Loans to unrated corporates	£2m in total
Money market funds	£20m in Total

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

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

Treasury Management Prudential Indicators

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

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

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

Credit risk indicator	Target
Portfolio average credit score	4.6

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

Liquidity risk indicator	Target £000
Total cash available within 3 months	£14,000

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

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£340,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	-£205,000

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

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

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

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

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

Long Term Treasury Management Investments: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price risk indicator	2022/23 £000	2023/24 £000	2024/25 £000
Limit on principal invested beyond year end	£7,500	£7,500	£7,500

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Related Matters

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

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

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk.

Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

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

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

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

Financial Implications

The budget for investment income in 2023/24 is £750,000, based on an average investment portfolio of £25 million at an average interest rate of 3.0%. The budget for debt interest paid in 2022/23 is currently zero as there is not a confirmed timeline for any borrowing requirement. If actual levels of investments and borrowing, or actual interest rates, differ from that forecast, performance against budget will be correspondingly different.

Other Options Considered

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

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

Appendix A - Arlingclose Economic & Interest Rate Forecast - November 2022**Underlying assumptions:**

- UK interest rate expectations have eased following the mini-budget, with a growing expectation that UK fiscal policy will now be tightened to restore investor confidence, adding to the pressure on household finances. The peak for UK interest rates will therefore be lower, although the path for interest rates and gilt yields remain highly uncertain.
- Globally, economic growth is slowing as inflation and tighter monetary policy depress activity. Inflation, however, continues to run hot, raising expectations that policymakers, particularly in the US, will err on the side of caution, continue to increase rates and tighten economies into recession.
- The new Chancellor dismantled the mini-budget, calming bond markets and broadly removing the premium evident since the first Tory leadership election. Support for retail energy bills will be less generous, causing a lower but more prolonged peak in inflation. This will have ramifications for both growth and inflation expectations.
- The UK economy is already experiencing recessionary conditions, with business activity and household spending falling. Tighter monetary and fiscal policy, alongside high inflation will bear down on household disposable income. The short- to medium-term outlook for the UK economy is bleak, with the BoE projecting a protracted recession.
- Demand for labour remains strong, although there are some signs of easing. The decline in the active workforce has fed through into higher wage growth, which could prolong higher inflation. The development of the UK labour market will be a key influence on MPC decisions. It is difficult to see labour market strength remaining given the current economic outlook.
- Global bond yields have steadied somewhat as attention turns towards a possible turning point in US monetary policy. Stubborn US inflation and strong labour markets mean that the Federal Reserve remains hawkish, creating inflationary risks for other central banks breaking ranks.
- However, in a departure from Fed and ECB policy, in November the BoE attempted to explicitly talk down interest rate expectations, underlining the damage current market expectations will do to the UK economy, and the probable resulting inflation undershoot in the medium term. This did not stop the Governor affirming that there will be further rises in Bank Rate.

Forecast:

- The MPC remains concerned about inflation but sees the path for Bank Rate to be below that priced into markets.
- Following the exceptional 75bp rise in November, Arlingclose believes the MPC will slow the rate of increase at the next few meetings. Arlingclose now expects Bank Rate to peak at 4.25%, with a further 50bp rise in December and smaller rises in 2023.
- The UK economy likely entered into recession in Q3, which will continue for some time. Once inflation has fallen from the peak, the MPC will cut Bank Rate.
- Arlingclose expects gilt yields to remain broadly steady despite the MPC's attempt to push down on interest rate expectations. Without a weakening in the inflation outlook, investors will price in higher inflation expectations given signs of a softer monetary policy stance.
- Gilt yields face pressures to both sides from hawkish US/EZ central bank policy on one hand to the weak global economic outlook on the other. BoE bond sales will maintain yields at a higher level than would otherwise be the case.

	Current	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25
Arlingclose Central Case	3.00	3.50	4.00	4.25	4.25	4.25	4.25	4.00	3.75	3.50	3.50	3.50	3.50
Downside risk	0.00	0.25	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25
Arlingclose Central Case	3.00	3.90	4.40	4.40	4.40	4.35	4.30	4.25	4.00	3.75	3.75	3.75	3.75
Downside risk	0.00	0.25	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
5yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.36	3.65	3.90	3.90	3.90	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20
Downside risk	0.00	0.70	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
10yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.46	3.70	3.75	3.75	3.75	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70
Downside risk	0.00	0.70	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
20yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.88	4.00	4.00	4.00	4.00	4.00	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Downside risk	0.00	0.70	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
50yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.24	3.40	3.40	3.40	3.40	3.40	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Downside risk	0.00	0.70	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%

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

UKIB Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix B - Existing Investment & Debt Portfolio Position

	31 Dec 2022 Actual Portfolio £m	31 Dec 2022 Average Rate %
Total external borrowing	0	n/a
Total gross external debt	0	n/a
Treasury investments:		
UK Banks	3	1.0
Building societies (unsecured)	2	1.0
Certificate Deposit	0	0.0
Money Market Funds	10	1.3
Local Authorities	12	0.8
Other Financial Intermediaries	2	3.7
Debt management office	6	1.6
Total treasury investments	35	1.3

TREASURY MANAGEMENT PRACTICES PRINCIPLES AND SCHEDULES

Introduction:

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

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

The Treasury Management Practices (TMPs) comprise:

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

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

TMP 1: RISK MANAGEMENT

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

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

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

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

Schedule:

Criteria to be used for creating/managing approved counterparty lists/limits	<p>The Section 151 Officer is responsible for setting a prudent criteria and the Council's treasury advisors will also provide guidance and assistance in setting the criteria.</p> <p>The criteria will be agreed by Strategy and Resources Committee.</p> <p>The Council's treasury management advisors will advise on credit policy and creditworthiness related issues. The Council will maintain a counterparty list based on its criteria and will monitor and update the credit standing of the institutions on a regular basis. This assessment will include consideration of credit ratings from all 3 ratings agencies and other alternative assessments of credit strength (for example, statements of potential government support which now includes resolution mechanisms for failing financial institutions, CDS information, the composition of an institution's balance sheet liabilities). The Council will also take into account information on corporate developments of and market sentiment towards investment counterparties.</p> <p>The credit rating criteria will also apply to securities issued by financial and non-financial institutions, which in some instances, might be higher than that of the issuing institution.</p> <p>Higher time and cash limits may be set for secured investments (e.g. those with underlying collateral or which are by regulation excluded from being bailed-in/restructured in the event of financial distress.)</p> <ul style="list-style-type: none"> - Where there is no investment-specific rating, but collateral upon which the investment secured is rated, then the higher of the collateral and counterparty rating will be used to determine time and cash limits.
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Approved methodology for changing limits and adding/removing counterparties	The Section 151 Officer has delegated responsibility to add or delete counterparties and to review limits within the parameters of the criteria detailed above.
Risk management : (a) creditworthiness deteriorates below the minimum criteria (b) ratings are placed on review for downgrade	<p>Where an entity's credit rating is downgraded so that it fails to meet the minimum criteria, then</p> <ul style="list-style-type: none"> - No new investments will be made, - Any existing investments that can be recalled or sold at no cost will be, and - Full consideration will be given to the recall or sale of other existing investments with the affected counterparty. <p>Where a credit rating is placed on review for possible downgrade (also termed 'rating watch negative' or 'credit watch negative') so that it may fall below the minimum approved credit criteria, then only investments that can be withdrawn on [the next working day] will be made with that organisation until the rating review has been completed and its outcome known.</p> <p>The policy in (b) will not apply for 'negative outlooks' which indicate a long-term direction of travel rather than a possibility of an imminent downgrade.</p>
Counterparty list and limits	<p>A full individual listing of banking counterparties based on the criteria will be maintained. As credit ratings etc. are subject to change without notice, an up-to-date lending list will be maintained on an ongoing basis.</p> <p>It may be impractical to have a pre-determined list of non-financial counterparties in whose securities investments might be made. The minimum credit rating criteria and whether the security is secured or unsecured will determine its selection for investment.</p> <p>No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the minimum credit rating criteria.</p>
Details of credit rating agencies' services and their application	The Council considers the ratings of all 3 ratings agencies (Standard & Poor's, Moody's and Fitch) when making investment decisions. Credit rating agency information is just one of a range of instruments used to assess creditworthiness of institutions.
Description of the general approach to collecting/using information other than credit ratings for counterparty risk assessment	<p>The Council's Treasury Advisor provides timely information on counterparties, in terms of credit rating updates and economic summaries. Credit default swap information is received monthly, as well as information on share price.</p> <p>The Council's Treasury Advisor also undertakes analysis on the balance sheet structure of key banking institutions to help inform the potential restructure (i.e. bail-in) of a bank's unsecured liabilities should this be required by the regulatory Authorities.</p> <p>In addition, the Section 151 Officer reads quality financial press for information on counterparties.</p>

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

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

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

Schedule:

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

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

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

Schedule:

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

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

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

Schedule:

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

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

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

Schedule:

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

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

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

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

Schedule:

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

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

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

Schedule:

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

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

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

Schedule:

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

TMP 2: PERFORMANCE MEASUREMENT

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

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

Schedule:

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

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

TMP 3: DECISION-MAKING AND ANALYSIS

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

Schedule:

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

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

TMP 4: APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

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

Schedule:

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

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

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

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

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

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

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

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

Schedule:

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

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

Dealing

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

TMP 6: REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

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

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

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

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

Schedule:

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

TMP 7: BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

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

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

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

Schedule:

Statutory/regulatory requirements	<p>Balanced Budget Requirement: The provisions of S32 and S43 of the Local Government Finance Act 1992 require this Council to calculate its budget requirement for each financial year including, among other aspects:,</p> <ul style="list-style-type: none"> (a) the expenditure which is estimated to be incurred in the year in performing its functions and which will be charged to a revenue account and (b) revenue costs which flow from capital financing decisions. <p>S33 of the Act requires the Council to set a council tax sufficient to meet expenditure after taking into account other sources of income.</p>
Proper accounting practice	<p>CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom (the local Authority code) constitutes "proper accounting practice under the terms of S21 (2) of the Local Government Act 2003".</p>

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

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

TMP 8: CASH AND CASH FLOW MANAGEMENT

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

Schedule:

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

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

TMP 9: MONEY LAUNDERING

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

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

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

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

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

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

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

Schedule:

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

TMP 10: TRAINING AND QUALIFICATIONS

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

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

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

The present arrangements are detailed in the schedule below.

Schedule:

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

TMP 11: USE OF EXTERNAL SERVICE PROVIDERS

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

Schedule:

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

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

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

Schedule:

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

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REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

2022 / 23 REVISED AND 2023 / 24 ORIGINAL BUDGET ESTIMATES

1. PURPOSE OF THE REPORT

- 1.1 To note the Provisional Local Government Finance Settlement 2023 / 24 which was announced by the Government on 21 December 2022.
- 1.2 To present to the Council the revised 2022 / 23 and original 2023 / 24 General Fund Revenue Budget estimates for approval.
- 1.3 To present the options for proposed level of Council Tax increase for 2023 / 24 for approval.
- 1.4 To present for to the Council the policy on use of reserves for approval.

2. RECOMMENDATIONS

- (i) that the following be approved:
 - (a) the Revised 2022 / 23 and Original 2023 / 24 General Fund Revenue Budget Estimates (**APPENDICES 1, 2 and 3**),
 - (b) an average Band D council tax of £218.75 (excluding parish precepts) (£6.35 increase) for 2023 / 24 (**APPENDIX 1**),
 - (c) policies on the designated use of financial reserves (**APPENDIX 4**),
 - (d) maintain the current policy of a minimum general fund balance of £2,600,000.
- (ii) that the Council gives due regard to the Director of Resources' (Section 151 Officer) statement on the robustness of budgets and adequacy of reserves in **APPENDIX 5**.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council no longer receives revenue support grant funding from the Government meaning that the majority of the funding for the Council's services is from income raised directly by the Authority. The main sources of funding are Council Tax, Fees and Charges and Business Rates.

3.2 The requirement to set a balanced budget has required stringent processes to deliver efficiencies, preserve as far as possible front-line services, retain the ability to generate income and to recognise the increasing demand for services.

3.3 It should be noted that, at the time of writing this report, the National Non-Domestic Rates Return (NNDR1) for 2023 / 24 was not completed and, therefore, the funding figures from Business Rates are likely to change, which will affect the contributions to / (from) balances as shown in **APPENDIX 1**.

3.4 **Provisional Local Government Finance Settlement 2023 / 24**

3.4.1 The provisional 2023 / 24 local government finance settlement was announced on 21 December 2022. The Settlement Funding Assessment is the amount of funding consisting the 50% of the Business Rates Baseline Funding Level uprated by the increase in the small business rates multiplier that is identified by the Government under the current system of 50% Business Rates Retention Scheme and adjusted for the tariff that the authority pays.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m	£m
Settlement Funding Assessment – Maldon	1.474	1.508	1.532	1.532	1.532	1.670
of which:						
Revenue Support Grant	0	0	0	0	0	0
Business Rates Baseline Funding under 50% Business Rates Retention (BRR)	1.474	1.508	1.532	1.532	1.532	1.670
Annual % Change	-7.9%	2.3%	1.6%	0.0%	0.0%	9.0%
Cumulative % Change	-25.0%	-23.2%	-22.0%	-22.0%	-22.0%	-15%

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

CORE SPENDING POWER									
Please select authority									
Maldon									
Illustrative Core Spending Power of Local Government:									
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment	2.4	2.0	1.6	1.5	1.5	1.5	1.5	1.5	1.7
Compensation for under-indexing the business rates multiplier	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.3
Council Tax Requirement excluding parish precepts ¹	4.1	4.3	4.5	4.7	4.8	5.1	5.2	5.4	5.7
Improved Better Care Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Homes Bonus	0.6	0.8	0.8	0.7	0.8	0.9	0.9	1.0	0.5
New Homes Bonus returned funding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rural Services Delivery Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transition Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult Social Care Support Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Winter Pressures Grant ²	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Social Care Support Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Social Care Grant ³	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Market Sustainability and Fair Cost of Care Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ASC Market Sustainability and Improvement Fund ⁴	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lower Tier Services Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0
ASC Discharge Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Services Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Grants rolled in	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Funding Guarantee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6
Core Spending Power	7.3	7.2	7.0	7.0	7.3	7.7	7.9	8.4	8.8
Change since 2015-16 (£ millions)									1.5
Change since 2015-16 (% change)									20.3%

Source: Provisional Local Government Finance Settlement 2023 to 2024 published by DLUHC
21/12/2022

3.4.3 It can be seen from the above illustrative table that, in the Government's view, the total Core Spending Power includes the potential additional Council Tax from the 2.99% or £5 referendum principle for all Districts. The Council did increase its Council Tax by £5 in 2017 / 18, the first year that the Government introduced the £5 into the referendum principle in acceptance and recognition of the financial pressures that district councils have been experiencing.

Key Information for Local Authorities (£m)								
Select local authority by clicking on the box below and using the drop-down button								
Maldon								
	2016-17	2017-18 ¹	2018-19 ¹	2019-20 ¹	2020-21 ¹	2021-22 ¹	2022-23 ¹	2023-24 ¹
Settlement Funding Assessment	2.0	1.6	1.5	1.5	1.5	1.5	1.5	1.7
of which:								
Revenue Support Grant	0.6	0.2	0.0	0.0	0.0	0.0	0.0	0.1
Baseline Funding Level	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.6
Tariff/Top-Up ²	-3.8	-3.6	-3.7	-3.8	-3.9	-3.9	-3.9	-4.8
2017-18 Tariff and Top-up reconciliation			0.0					
Safety Net Threshold	1.3	1.3	1.4	1.4	1.4	1.4	1.4	1.5
Levy Rate	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5

Source: Provisional Local Government Finance Settlement 2023 to 2024 published by MHCLG
21/12/2022

3.4.4 For 2023 / 24, government funding consists of the Revenue Support Grant, Business Rates Baseline funding, New Homes Bonus, Services Grant, Rural Services Delivery Grant and a new Funding Guarantee.

3.4.5 The New Homes Bonus (NHB) Scheme was introduced in 2011 / 12 to encourage local authorities to facilitate housing growth. For every additional property built or empty property brought back into use, the government match funds the additional council tax, with an additional amount for affordable homes.

3.4.6 There have been changes to the scheme over the years such as:

- the payments have reduced from six years to four years,
- the introduction of an annual baseline housing growth of 0.4% below which no NHB would be payable,
- from 2020 / 21 the government no longer pays NHB legacy payments relating to 2020 / 21.

- 3.4.7 For 2023 / 24 the government has maintained the Rural Services Delivery Grant at £85 million and the Council's allocation of £32,339, the same as 2023 / 24, plus a £59,530 Services grant. This was new in 2022/23 (£105,646) to help alleviate the 1.25% increase in National Insurance.
- 3.4.8 Finally, the Council's allocation for the provisional base Homelessness Prevention Grant for 2023 / 24 has been increased at £152,048. Further allocations may be announced for the Flexible Housing Support Grant, and the Homelessness Reduction Grant in the future.

3.5 Revised General Fund Revenue Budget Estimates 2022 / 23

- 3.5.1 There have been some necessary changes to the 2022 / 23 budget since its approval in February 2022. £350,100 of revenue commitments unspent in 2021 / 22 needed paying for in 2022 / 23, so budget was carried forward from 2021 / 22 for this. Various approved supplementary estimates this year have added up to £485,800 and £8,700 has been withdrawn from Earmarked Reserves to fund parks consultancy and maintenance.
- 3.5.2 Also, the Budgetary Control report taken to the Strategy and Resources Committee on 10 November showed a net services budget pressure of £381k. The report also showed that this pressure would be offset by improved Treasury interest earnings of £104k and improved local taxation collection of £139k. This would leave an overall net decrease in the General Fund reserve of £138k.
- 3.5.3 The original 2022 / 23 budget estimates showed a total of £452k contribution from the General Fund Balances. The revised estimates continue to show a contribution of £938k from the General Fund Balances after contributions from earmarked reserves, as per **APPENDIX 4**. This reduces the General Fund Balance to £4.7m.

Impact on General Fund Balance

	£000
Opening General Fund Balance	5,796
Less 2022 / 23 Medium-Term Financial Strategy (MTFS) Funding Gap	(452)
Less Agreed Supplementary Estimates	(486)
Revised Budget Gap	(938)
Less Net Cost of Services Pressure	(381)
Plus Improved Investment Income	104
Plus Impact of Collection Rates	139
Net In-Year Budget Pressures	(138)
Closing General Fund Balance	4,720

- 3.5.4 The Council continues to receive additional income from growth above the baseline in local business rates and pooling arrangements within the Essex Region Business Rates Pool. The final benefits from being in the pool will not be known until the year end.
- 3.5.5 £1,705k is being drawn down from the Council Tax and Business Rates Equalisation reserve, £391k from the New Homes Bonus reserve, £117k from the Transformation reserve and £38k from the Corporate Delivery reserve as per 2022 / 23 Budget Setting.

3.5.6 Also, as previously budgeted, the General Fund made its annual contribution of £520k to the Pensions reserve towards the tri-annual payment towards the Pension Fund. Since then, £350k has been drawn from 2021 / 22 via the Revenue Commitments reserve, £4k from the Feasibility reserve and £5k from the Repairs and Renewals reserve. These have been built into the revised budget for 2022 / 23 only.

3.6 Original General Fund Revenue Budget Estimates 2023 / 24

3.6.1 The proposed 2023 / 24 net operating expenditure budget after adjusting for statutory adjustments, but before any non-service specific funding and use of reserves totals £12.541m and is therefore £2.005m (19.0%) higher than 2022 / 23 (£10.536m).

3.6.2 There are additional growth pressures such as an increase for inflation of £1.855m, due to:

- an estimated 5% increase on gross salaries;
- net incremental salary grade pressures;
- an increase in national minimum wage from £9.50 per hour to £10.42 (9.7%) pushing up contract costs;
- 12.3% and 10.0% increases for Retail Price Index (RPI) and Consumer Price Index (CPI) indexed expenditure respectively, measured in August 2022;
- This mainly applies to operational contracts related to waste services, street cleansing and parks, and corporate contracts such as transaction charges and IT licences, which are collectively increasing by £0.744m.

3.6.3 Furthermore, non-inflationary contract pressures of £0.416m have arisen with waste services (£77k), leisure centres (£189k) and external audit (£150k) after the pandemic. All the operational budget increases are shown in the table below.

Table – Increase in net operating expenditure budget

	£000	£000
Salaries Inflation		
22/23 Payrise @ 2.75%	259	
23/24 Payrise @ 5.00%	522	
Pension @ 1.00%	102	
Increments	211	
Members	20	1,111
Non-Salaries Inflation		
Waste & Street Cleansing	576	
IT Software & Hardware	50	
Parks	40	
Council Offices & Corporate	39	
Other	39	744
Contractual Pressures		
Leisure	166	
External Audit Fees	150	
Waste	100	416
Expiry of Growths		
LDP – Scaling Down (3 rd Year of 3)	-205	
Street Cleansing – Queen’s Jubilee (2022/23 only)	-16	-221

	£000	£000
Ongoing Supplementary Estimates		
Planning Staff	93	
Street Cleansing	20	
Council Offices	20	133
New Growths		
Head of Environment Services	81	
HR Fixed Term Post	39	
Customer Service Resource	28	
Ezytreev Software	12	
Changing Places Toilets	5	
Members Training	3	168
Budget Pressures		
Carparking Machine Payment Charges	37	
C-Tax Sharing Agreement	72	109
Savings & Fees & Charges (Prev Agreed)		
Savings	-389	
Less Contingency	150	
Fees & Charges	-216	-455
Total increase in net operating expenditure budget		2,005
Original 2022 / 23		10,536
Original 2023 / 24		12,541

3.6.4 Due to recent budget growth bids and forecast increased pension service costs, it is estimated that in 2023 / 24 there will need to be a net contribution from General Fund balances of £0.421m.

3.6.5 The Council Tax increase is considered in Section 3.13. Proposals for the usage of earmarked reserves are discussed in more detail in Section 3.14.

3.6.6 2023 / 24 Budgets have initially been built up as follows:

- Embedded New Council Structure;
- Inflation assumptions on existing contracts – 5.0% for pay and contractual inflation on goods and services based upon CPI or RPI dependent of terms within contracts;
- Expected income from fees and charges and grant income;
- Implications of statutory and contractual changes, non-inflation cost pressures;
- Growth and Savings, as discussed later in this report.

3.6.7 As part of the budget setting process for 2023 / 24 the Maldon District residents were consulted and the results of the survey are at **APPENDIX 6**.

3.7 Budget Growth, Savings and Income Generation in 2023 / 24

3.7.1 On 28 November 2022, the Strategy and Resources Committee and considered a report on the budget savings for 2023 / 24. These proposals have been built into the core 2023 / 24 budget in consultation with the Finance Working Group for approval at the Strategy and Resources Committee meeting. The estimates currently stand at

£389k in Savings plus £216k in inflationary Fees and Charges increases, less a £150k contingency for unachieved savings.

- 3.7.2 A report for Budget Growth bids is being considered as part of this Strategy and Resources Committee meeting and any approved bids will subsequently be built into the 2023 / 24 Budget Estimates.
- 3.7.3 The Essex Local Council Tax Sharing Agreement will continue for the foreseeable future, along with the performance targets. For 2023 / 24 the Council has budgeted the benefit at £70,200. This is down £72,300 from the £142,500 budgeted in the current year, due the improving trend in collecting Council Tax from last financial year due to a renegotiated sharing agreement.
- 3.7.4 This is because, although the collection threshold is only 9% (down from 14%), the incentive element in the sharing agreement is also much less, creating a smaller pot for share-back – although a larger safety net pot is also created.

3.8 New Homes Bonus (NHB)

- 3.8.1 NHB is not ring-fenced and, therefore, it can be used by the Council for whatever purpose it wishes. A couple of years ago, the government has stated that the NHB scheme would change and, as a result, 2023 / 24 will be the last year legacy payments will be received by councils. Helpfully, a further £474,225 has been announced in the provisional local government settlement, although legacy payments will cease from 2023 / 24 as expected. This means the amount in 2023 / 24 to support the general fund revenue expenditure is down £486,947 (£961,172 in 2022 / 23).

3.9 Pension Fund Deficit Recovery

- 3.9.1 The Pension Fund Triennial Valuation 2019 was concluded 4 years ago and the results at that time showed that the deficit on the Council's element of the overall Fund in respect of assets and liabilities had reduced from £8.181m to £5.318m with the funding level improving from 81.7% to 90.2%. The deficit recovery period has reduced from 15 years to 12 years. The Council chose to pay the triennial deficits up front so a payment of £1.556m was paid in the 2020 / 21 financial year using the General Fund Reserves / Balance, then making a £0.520m contribution in each of the year's 2021 / 22 and 2022 / 23 be transferred to the Pension Reserve in the earmarked reserves in readiness for the next triennial payment in April 2023.
- 3.9.2 The Pension Fund Triennial Valuation 2022 was concluded last year and the results this time showed that the deficit on the Council's element of the overall Fund in respect of assets and liabilities had reduced from £5.32m to £0.94m with the funding level improving from 90.2% to 98.4%. The deficit recovery period has reduced from 12 years to 9 years. The Council is choosing to pay the triennial deficits up front so a payment of £0.351m will be paid in the 2023 / 24 financial year using the General Fund Reserves / Balance along with 20.9% of pensionable pay. Going forward, this will be funded by making a £0.120m contribution in each of the year's 2024 / 25, 2025 / 26 and 2026 / 27 to the Pension Reserve in the earmarked reserves in readiness for the next triennial payment in April 2026.

3.10 Essex Region Business Rates Pool

- 3.10.1 As agreed by the Council in October 2015, the Council joined the Essex Region Business Rates Pool in April 2016. The Pool will continue to operate in 2023 / 24 and the Council will continue to benefit by being in the Pool.

3.11 Interest on Investments

- 3.11.1 Interest from investment income is an integral part of the budget considerations. Bank of England base rate decreased in March 2020 to 0.1% and it remained at that rate until December 2021 when the Bank of England began to regularly increase the base rate, which stood at 3.50% in December 2022. The 2023 / 24 budget estimate for investment interest income is £750k at an average investment balance of £25m during the year at a rate of 3.0%, allowing for the base rate to be reduced during 2023 / 24.

3.12 Council Tax

- 3.12.1 The Council Tax referendum threshold set by the Secretary of State for 2023 / 24 was announced as part of the Provisional Settlement; and for Maldon, the threshold has been set at 2.99% increase over 2022 / 23 or £5, whichever is the greater. Any Council proposing increases more than the threshold faces the substantial cost of conducting a local referendum and, if it results in a 'No' vote, the rebilling cost as well.
- 3.12.2 The Government, in calculating the core spending power for each council, assumes they will have taken the benefit of the 2.99% increase (see table in paragraph 3.4.2) it is important that the Council considers the option of the 2.99% increase for 2023 / 24.

Options for Increase in Council Tax from 2023 / 24 to 2024 / 25	Increase on 2022 / 23 Band D Council Tax of £212.40		Additional Income Band D
Tax Base = 25,892.3	0.00%	2.99%	
Band D Council Tax 2023 / 24	£212.40	£218.75	£6.35
Maldon District Council: Council Tax	£5,499,525	£5,663,960	£164,435

- 3.12.3 Increasing the council tax by £6.35 to £218.75 instead of a Council Tax freeze of 0% (£0) to £212.40 would raise an additional income of £164,435 in 2023 / 24, thus reducing the requirement from General Fund Balances by that amount to support the General Fund net expenditure.
- 3.12.4 A £6.35 increase represents a 2.99% increase on 2022 / 23 Council Tax as every 1% increase in Council Tax will bring in an additional £54,995.
- 3.12.5 The Council's net expenditure budget (excluding parish precepts but after service specific funding and contribution from reserves) for 2023 / 24 is £5,663,960. This is matched by the estimated total resources with the Band D council tax at £218.75 i.e. £6.35 increase on 2022 / 23 (**APPENDIX 1**).
- 3.12.6 The tax base to be used for setting the 2023 / 24 Council Tax. It has been calculated at 25,892.3 "Band D equivalent" properties, after allowing for a non-collection rate of 2.7%. This tax base is being applied for the purposes of setting the 2023 / 24 Council Tax.
- 3.12.7 In terms of the estimated (surplus) / deficit on the Collection Fund as at 31 March 2023, Maldon District Council's share of the net deficit, which has increased our Council Tax, was £758k comprised of a surplus distribution on Council Tax of £NIL and a deficit distribution on Business Rates of £758k. We are still awaiting the 2022 / 23 Business Rates pooling results which will be finalised at the end of the financial year.

3.12.8 In accordance with the legislation under the Local Government Finance Act 1992, all parish precepts must be charged to the Council's General Fund. At the time of writing this report not all parish precepts had been received. It is envisaged that all the parish precepts will be reported at the Council meeting on 22 February 2023 for Council Tax setting purposes.

3.13 Council Tax £6.35 increase on 2022 / 23 Band D Basic amount of £212.40

3.13.1 The Budget estimates have been constructed on the basis that the Council is proposing to increase council tax by £6.35 which is within the referendum threshold for 2023 / 24. This represents a prudent approach having regard to the balance of the risks and opportunities facing the Council in future years; in the context of its underlying financial base with subsequent increases to be reviewed each year in the light of emerging risks. The budget for 2023 / 24 is balanced, however, there are some uncertainties still facing local government finance. Inflation has increased significantly over the past year (12.3% as of August 2022) and is forecast to only fall by a small degree during 2023 / 24. The move from the 50% Business Rates Retention to 75% Business Rates Retention system is on hold and it is not known when or whether it will be implemented. Any change to the Business Rates retention system will, most likely result in a reset of the Business Rates Baseline, which it is expected will remove the growth that has been achieved since the system was introduced. This could take away resources from this Council. However, it is not possible to predict what the exact impact would be without knowing the details of the new system. Possible impacts are covered in more detail in paragraph 3.16.4.

3.13.2 Council Tax increases become part of the overall financial base of the Council. The proposed £6.35 increase in Council Tax will generate an additional £164,435 of income in 2023 / 24. If this increase is not approved for 2023 / 24 then the gap in future years widens and any necessary Council Tax increase would then be greater.

3.14 General Fund Balance and Revenue Reserves

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

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

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

Balances Movement (taking into account estimated use in 2023 / 24)	2022 / 23 (Revised)	2023 / 24
	£000	£000
Balance brought forward		
General Fund Reserves	5,796	4,720
Earmarked Reserves	7,439	5,349
Total	13,235	10,069
Projected Movement		

Balances Movement (taking into account estimated use in 2023 / 24)	2022 / 23 (Revised)	2023 / 24
	£000	£000
General Fund Reserves	-1,076	-421
Earmarked Reserves	-2,090	-2,141
Total	-3,166	-2,562
Balance carried forward		
General Fund Reserves	4,720	4,298
Earmarked Reserves	5,349	3,208
Total	10,069	7,506

3.14.4 The New Homes Bonus reserve (NHB) Reserve balance as at 31/03/23 will be £Nil. This is because £391k of the reserve was utilised during 2022 / 23 to fund the work on Local Development Scheme 2021 - 2024 and Local Development Plan Review. The £474k allocation for 2023 / 24 will be utilised to support the general fund balance. Therefore, the NHB reserve balance is projected to be £Nil as at 31/03/24.

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

3.15 Medium Term Financial Strategy (MTFS)

3.15.1 The MTFS is currently also being reported to the Strategy and Resources Committee and will be presented to the Council on 24 February 2022 for consideration at the same time as the suite of financial reports for 2023 / 24.

3.16 View on Risks

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

3.16.2 The level of risk posed by contractual or legislative failure and emergency events is difficult to predict, but it would be a low probability with a potentially high impact. However, it is not appropriate to set aside large amounts of reserve against the possibility of this happening and that appropriate bond / Parent Company Guarantee have been built into large contracts.

3.16.3 It is important to recognise that with the introduction of the Business Rates Retention, there is a considerable degree of uncertainty in the forecast for business rates growth as much of it depends on external factors including the impact of successful appeals. The Council's own economic development policies can have an impact on business rates growth and therefore it is important that the planning services, economic development services and the business rates service have a co-ordinated approach

to inward investment policies. It is important to ensure a high level of growth in the District, as any empty properties create a risk on the level of Business Rates income the Council will receive.

- 3.16.4 The current cost of living crisis driven by high inflation and increasing interest rates put a high degree of pressure on family and business budgets and this could affect households' and businesses' ability to pay Council Tax and NNDR respectively. This places a risk on local taxation collection rates.
- 3.16.5 The large contracts such as Waste and Leisure Centres are impacted by our economic environment. The footfall through gyms at the Blackwater and Dengie Hundred Leisure Centres have not recovered as hoped after the Coronavirus pandemic, being now impacted by the cost-of-living crisis, meaning very low profits now that only generate a fraction of income for the Council they did pre-pandemic. Also, the Waste contract relies on recycling tonnage and prices, which are also volatile post pandemic. Furthermore, the contract expires in January 2024, so the new contract will need to be negotiated. Only then will we know the impact on budgets but the 2023 / 24 budget assumes Leisure Centre income will not improve on its current returns and net Waste returns to fall by £100k. As for external audit costs; largely due to the pandemic, valuations (e.g. of fixed assets and provisions) have a higher degree of uncertainty and many audits are protracted and overdue. Audit quality is also being highly scrutinised. This is reducing the number of auditors in the public sector. The Public Sector Audit Appointments Limited (PSAA) has advised local authorities to allow for a 150% increase in audit fees in 2023/24.
- 3.16.6 Section 25 of the 2003 Local Government Act requires the Section 151 Officer to make a formal report to the Council on the robustness of the budget and adequacy of reserves (**APPENDIX 5**).

4. CONCLUSION

- 4.1 After including all items within the financial projections, general fund and earmarked reserves at the start of 2023 / 24 are expected to be £10.069m with all known movements considered. The government has set the referendum threshold for the increase in the average band D council tax in 2023 / 24 for district councils at 2.99% or £5, whichever is the greater. Due to the unknown impact of future changes to Local Government finance, it is proposed that the Council should take the opportunity to increase its financial base by increasing the average band D council tax by 2.99% (£6.35), the maximum allowed for by the government before a referendum is required.

5. IMPACT ON STRATEGIC THEMES

- 5.1 This report sets out the resources that are and will be available to the Council in 2023 / 24 to meet the outcomes set out in the three strategic themes of Place, Community and Prosperity.

6. IMPLICATIONS

- (i) **Impact on Customers** – The budget process ensures that changes in service delivery resulting in budget changes are reviewed by Officers and Members so that any impact can be considered. In 2023 / 24, only essential budget growth has been considered.

- (ii) **Impact on Equalities** – The budget affects all residents in the District, it is not considered that the growth bids for 2023 / 24 individually impact negatively on an individual user group.
- (iii) **Impact on Risk** – The distribution of resources reflected in the revenue and capital budgets is designed to support the Authority's approach to risk management (i.e. to reduce all major corporate risks to a level within approved tolerances through the implementation of approved mitigation plans).
- (iv) **Impact on Resources (financial)** – This report details the impact on financial resources.
- (v) **Impact on Resources (human)** – The budget includes a pay inflationary increase.
- (vi) **Impact on the Environment** – None directly.
- (vii) **Impact on Strengthening Communities** - None directly.

Background Papers:

Budgetary Control Report to the Strategy and Resources Committee, 10 November 2022.

Savings Report to the Council, 12 January 2023.

Discretionary Fees and Charges Report to the Council, 15 December 2022.

2022.23 Revised and 2023.24 Original Budget Estimates Report to the Strategy and Resources Committee, 26 January 2023.

Enquiries to: Lance Porteous, Lead Specialist, Finance.

Council Tax Summary			Appendix 1	
REVENUE ESTIMATES SUMMARY 2023/24				
		Original	Revised	Original
		2022/23	2022/23	2023/24
Directorates		£000	£000	£000
Resources		3,714	3,762	4,395
Service Delivery		7,091	8,755	9,581
Strategy Performance and Governance		2,931	2,065	2,458
Net Cost of Services		13,736	14,581	16,434
Interest on Investments		(214)	(318)	(750)
Net Operating Expenditure		13,522	14,263	15,684
Appropriations & Adjustments				
Impact of forward pension deficit funding		0	0	351
Statutory Adjustments		(3,200)	(3,200)	(3,893)
Govt Direct Grants				
- New Homes Bonus		(961)	(961)	(474)
- Other Direct Grants		(264)	(264)	(363)
- Business Rates Renewable Energy		(746)	(746)	(746)
- Funding Guarantee		0	0	(607)
Levy Redistribution		0	0	0
To/(From) Earmarked Revenue Reserves		(1,731)	(2,090)	(2,141)
To/(From) Balances		(452)	(834)	(421)
Expenditure to be Funded		6,168	6,168	7,390
	2022/2023		2023/2024	
Property Tax Base (Band D equivalent)	25,524.3		25,892.3	
	2022/2023		2023/2024	
Council Tax Charges	Charge @	Total	Charge @	Total
	Band D	Cost	Band D	Cost
	£ : p	£	£ : p	£
Revenue Expenditure to be Funded	241.64	6,167,783	285.39	7,389,501
Business Rates Retention				
- Base Line Funding	(60.05)	(1,532,729)	(26.39)	(683,344)
- Business Growth Retention	(38.66)	(986,804)	(79.19)	(2,050,394)
- Levy on Business Rates Growth net to ECC Pool	8.04	205,288	9.66	250,000
- NDR Collection Fund Adjustment (Surplus)/Deficit	68.55	1,749,616	29.28	758,197
Council Tax Collection Fund Adj (Surplus)/Deficit	(7.13)	(181,866)	0.00	0
Maldon District Council Charge	212.40	5,421,287	218.75	5,663,960
Parish Precepts	62.82	1,603,414	63.84	1,652,967
Essex County Council Precept	1,401.12	35,762,664	1,450.17	37,548,240
Police & Crime Commissioner for Essex	218.52	5,577,579	233.47	6,044,992
Essex Fire Authority	75.33	1,922,749	80.28	2,078,613
Final Charge	1,970.19	50,287,693	2,046.51	52,988,771

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ORIGINAL 22/23 Top (WHITE) REVISED 22/23 Bottom (GREEN)			Direct Costs				Recharges		Income				APPENDIX 2	
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £		
<u>Service Management & Support Services</u>														
172	Strategy, Performance & Governance	2,188,500	4,400	10,700	0	8,000	0	0	0	(50,500)	0	2,161,100		
		2,405,500	4,400	10,700	0	9,400	0	0	0	(171,000)	0	2,259,000		
171	Resources	2,526,500	0	122,100	0	99,000	0	0	0	0	0	2,747,600		
		2,659,600	0	46,600	0	115,900	0	0	0	0	0	2,822,100		
170	Service Delivery	7,327,000	15,000	71,800	0	154,200	0	0	0	0	0	7,568,000		
		7,538,200	15,000	59,800	0	180,400	0	0	0	(144,900)	0	7,648,500		
101	Corporate Core	0	0	800	0	0	0	0	0	0	0	800		
		0	0	0	0	0	0	0	0	0	0	0		
102	Election Services	0	0	0	0	0	0	0	0	0	0	0		
		0	0	0	0	0	0	0	0	0	0	0		
103	Policy & Comms	0	0	43,200	0	0	0	0	0	0	0	43,200		
		0	0	99,200	0	0	0	0	0	0	0	99,200		
104	Training	0	0	49,200	0	0	0	0	0	0	0	49,200		
		0	0	84,000	0	0	0	0	0	0	0	84,000		
105	Human Resources	0	0	32,800	0	0	0	0	0	0	0	32,800		
		0	0	32,800	0	0	0	0	0	0	0	32,800		
106	Apprentices	18,000	0	0	0	0	0	0	0	0	0	18,000		
		38,000	0	0	0	0	0	0	0	0	(6,500)	31,500		
108	Committee Services	0	0	17,600	0	0	0	0	0	0	0	17,600		
		0	0	20,600	0	0	0	0	0	0	0	20,600		
109	General Office Support	0	0	0	0	0	0	0	0	0	0	0		
		0	0	0	0	0	0	0	0	0	0	0		
110	Customer Services	0	0	16,400	0	0	0	0	0	0	0	16,400		
		0	0	11,300	0	0	0	0	0	0	0	11,300		
111	Internal Audit & Perf. Review	0	0	0	0	0	0	0	0	0	0	0		
		0	0	0	0	0	0	0	0	0	0	0		
113	Finance	0	0	39,100	0	0	0	0	0	0	0	39,100		
		0	0	39,100	0	0	0	0	0	0	0	39,100		
114	Revenues & Benefits	0	0	105,700	0	0	0	0	0	(245,200)	0	(139,500)		
		0	0	232,300	0	0	0	0	0	(345,500)	(29,400)	(142,600)		
118	Leisure & Community	0	0	61,100	0	0	0	0	0	(9,000)	0	52,100		
		0	0	61,500	0	0	0	0	0	(9,000)	0	52,500		
119	IT Services	0	0	550,000	195,400	0	0	0	0	0	0	745,400		
		0	0	550,000	195,400	0	0	0	0	0	0	745,400		
121	Council Offices	0	0	244,600	87,100	(300,200)	0	0	0	(35,500)	0	(4,000)		
		0	0	299,700	87,100	(351,300)	0	0	0	(35,500)	0	0		
124	Princes Rd Depot	0	0	15,400	2,800	0	0	0	0	0	0	18,200		
		0	0	23,400	2,800	0	0	0	0	(2,200)	0	24,000		
129	Legal Services	0	0	5,500	0	0	0	0	0	(10,000)	0	(4,500)		
		0	0	6,500	0	0	0	0	0	(10,000)	0	(3,500)		
132	Environmental Health	0	0	12,600	0	0	0	0	0	0	0	12,600		
		0	0	5,800	0	0	0	0	0	0	0	5,800		
133	Environmental Waste	0	0	2,300	0	0	0	0	0	0	0	2,300		
		0	0	2,300	0	0	0	0	0	0	0	2,300		
134	Housing	0	0	1,400	0	0	0	0	0	0	0	1,400		
		0	0	1,400	0	0	0	0	0	0	0	1,400		
141	Parks & Countryside Services	81,300	59,500	110,400	47,700	0	0	0	(46,400)	(75,000)	0	177,500		
		79,200	58,400	115,400	47,700	0	0	0	(46,400)	(77,200)	0	177,100		
149	Nursery	0	0	0	0	0	0	0	0	0	0	0		
		0	0	0	400	0	0	0	0	0	0	400		
153	Parks Rangers	0	6,600	8,700	4,700	0	0	0	0	(87,800)	0	(67,800)		
		0	6,600	5,800	4,300	0	0	0	0	(87,800)	0	(71,100)		
155	Prom Depot	0	0	10,900	3,300	0	0	0	0	0	0	14,200		
		0	0	24,600	3,300	0	0	0	0	0	0	27,900		

ORIGINAL 22/23 Top (WHITE) REVISED 22/23 Bottom (GREEN)		APPENDIX 2										
Cost Centre	Description	Direct Costs				Recharges				Income		
		Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £
163	Enforcement	0	0	6,200	0	0	0	0	0	0	0	6,200
		0	0	5,700	0	0	0	0	0	0	0	5,700
164	Economic Development	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
165	Planning Policy Services	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
166	Planning Admin Services	0	0	24,900	0	0	0	0	0	0	0	24,900
		0	0	12,800	0	0	0	0	0	0	0	12,800
167	Development Control Services	0	0	11,900	0	0	0	0	0	0	0	11,900
		0	0	9,800	0	0	0	0	0	0	0	9,800
168	Building Control Services	0	0	3,000	0	0	0	0	0	0	0	3,000
		0	0	3,000	0	0	0	0	0	0	0	3,000
TOTAL Service Management & Support Services		12,141,300	85,500	1,578,300	341,000	(39,000)	0	0	(46,400)	(513,000)	0	13,547,700
		12,720,500	84,400	1,764,100	341,000	(45,600)	0	0	(46,400)	(883,100)	(35,900)	13,899,000
Central Services												
Corporate Core & Democratic												
256	Corporate Management	0	0	308,500	0	0	0	0	0	(235,000)	(69,400)	4,100
		0	0	286,000	0	0	0	0	0	(235,000)	(69,400)	(18,400)
260	Democratic Representation & Mgt	234,300	14,000	26,200	1,100	39,000	0	0	0	0	0	314,600
		234,300	14,000	26,200	1,100	45,600	0	0	0	0	0	321,200
270	FM Implementation	0	0	0	0	0	0	0	0	0	0	0
		0	0	31,000	0	0	0	0	0	0	0	31,000
TOTAL Corporate & Democratic Core		234,300	14,000	334,700	1,100	39,000	0	0	0	(235,000)	(69,400)	318,700
		234,300	14,000	343,200	1,100	45,600	0	0	0	(235,000)	(69,400)	333,800
Central Services to the Public												
202	Business Rates Collection	0	0	5,600	0	0	0	0	0	(5,100)	(90,000)	(89,500)
		0	0	35,300	0	0	0	0	0	(5,100)	(119,400)	(89,200)
209	Council Tax Benefit Admin	0	0	8,500	0	0	0	0	0	0	(61,800)	(53,300)
		0	0	9,600	0	0	0	0	0	0	(61,800)	(52,200)
216	Council Tax Collection	0	0	47,100	0	0	0	0	0	(101,200)	0	(54,100)
		0	0	48,900	0	0	0	0	0	(101,200)	0	(52,300)
213	Electoral Registration	0	0	49,400	0	0	0	0	0	0	0	49,400
		0	0	49,500	0	0	0	0	0	0	0	49,500
253	Civil Emergencies	0	0	37,900	0	0	0	0	0	0	(144,900)	(107,000)
		0	0	34,900	0	0	0	0	0	0	0	34,900
254	Election Management	0	0	36,000	600	0	0	0	0	0	0	36,600
		0	0	36,000	600	0	0	0	0	0	0	36,600
255	Land Charges	0	0	20,400	0	0	0	0	(124,300)	0	0	(103,900)
		0	0	64,400	0	0	0	0	(124,300)	0	0	(59,900)
TOTAL Central Services		0	0	204,900	600	0	0	0	(124,300)	(106,300)	(296,700)	(321,800)
		0	0	278,600	600	0	0	0	(124,300)	(106,300)	(181,200)	(132,600)

ORIGINAL 22/23 Top (WHITE) REVISED 22/23 Bottom (GREEN)		APPENDIX 2										
		Direct Costs				Recharges		Income				
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £
Cultural, Environmental & Planning Services												
Cultural Services												
501, 502, 503, 509, 520, 522	Sport	0	0	99,100	23,700	0	0	0	0	(319,600)	0	(196,800)
		0	0	58,500	23,700	0	0	0	0	(248,000)	0	(165,800)
122, 506, 508	Community Centres	0	0	25,500	8,800	0	0	0	0	(7,400)	0	26,900
		0	0	29,000	8,800	0	0	0	0	(7,400)	0	30,400
505, 511, 514, 516, 518, 519	Parks & Open Spaces	32,000	0	282,000	81,100	0	0	0	(657,500)	(197,800)	0	(460,200)
		32,000	0	519,000	81,100	0	0	0	(685,000)	(213,600)	0	(266,500)
542, 546	Heritage	0	0	4,000	2,200	0	0	0	0	0	0	6,200
		0	0	7,500	2,200	0	0	0	0	0	0	9,700
309	Rivers	0	6,100	32,400	7,400	0	0	0	(37,000)	(136,100)	0	(127,200)
		0	5,600	52,000	7,400	0	0	0	(34,000)	(143,200)	0	(112,200)
320, 325, 330	Tourism	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
TOTAL Cultural Services		32,000	6,100	443,000	123,200	0	0	0	(694,500)	(660,900)	0	(751,100)
		32,000	5,600	666,000	123,200	0	0	0	(719,000)	(612,200)	0	(504,400)
Environmental Services												
340	Public Entertainment Licences	0	0	30,600	0	0	0	0	(51,800)	(5,700)	0	(26,900)
		0	0	34,600	0	0	0	0	(55,800)	(5,700)	0	(26,900)
341	Hackney Carriage	0	0	18,800	0	0	0	0	(1,800)	(33,400)	0	(16,400)
		0	0	18,800	0	0	0	0	(1,800)	(33,400)	0	(16,400)
550	Public Conveniences	0	0	125,500	16,700	0	0	0	0	0	0	142,200
		0	0	137,300	16,700	0	0	0	0	0	0	154,000
555	Cemeteries	0	0	53,100	2,300	0	0	0	(112,100)	(300)	0	(57,000)
		0	0	110,800	2,300	0	0	0	(120,100)	(300)	0	(7,300)
562, 563	Community Safety	0	0	38,100	0	0	0	0	0	(14,300)	0	23,800
		0	0	37,900	0	0	0	0	0	(14,300)	0	23,600
576, 579, 581	Waste Management	0	2,300	4,440,000	220,100	0	0	0	(12,000)	(2,456,000)	0	2,194,400
		0	2,300	4,489,200	220,100	0	0	0	(12,000)	(2,454,500)	0	2,245,100
566, 567, 570, 571, 572, 573, 577	Other Environmental Health	0	1,200	54,400	1,100	0	0	0	(51,000)	(8,900)	0	(3,200)
		0	1,200	57,100	1,100	0	0	0	(57,000)	(5,600)	0	(3,200)
TOTAL Environmental Services		0	3,500	4,760,500	240,200	0	0	0	(228,700)	(2,518,600)	0	2,256,900
		0	3,500	4,885,700	240,200	0	0	0	(246,700)	(2,513,800)	0	2,368,900
Planning & Development Services												
232	Discretionary Rate Relief	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
301	Planning Policy	0	0	299,600	0	0	0	0	0	0	0	299,600
		0	0	299,600	0	0	0	0	0	0	0	299,600
302	Development Control	0	0	117,000	0	0	0	0	(757,800)	(15,600)	0	(656,400)
		0	0	131,000	0	0	0	0	(759,800)	(15,600)	0	(644,400)
303	Building Regs - Fee Related	0	0	500	0	0	0	0	(198,900)	0	0	(198,400)
		0	0	500	0	0	0	0	(198,900)	0	0	(198,400)
313	Building Regs - Non Fee Related	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
304	Building Conservation	0	0	1,800	0	0	0	0	0	0	0	1,800
		0	0	1,800	0	0	0	0	0	0	0	1,800
305	Economic Development	0	0	83,000	0	0	0	0	0	0	0	83,000
		0	0	0	0	0	0	0	0	0	0	0
307	Gypsy & Traveller	0	0	8,700	0	0	0	0	0	0	0	8,700
		0	0	8,700	0	0	0	0	0	0	0	8,700
317	Bradwell B	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
565	Community Grants	0	0	77,400	0	0	0	0	0	0	0	77,400
		0	0	77,400	0	0	0	0	0	0	0	77,400
TOTALPlanning & Development Services		0	0	588,000	0	0	0	0	(956,700)	(15,600)	0	(384,300)
		0	0	519,000	0	0	0	0	(958,700)	(15,600)	0	(455,300)

ORIGINAL 22/23 Top (WHITE) REVISED 22/23 Bottom (GREEN)			APPENDIX 2									
			Direct Costs				Recharges		Income			
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £
<u>Highways, Roads & Transport Services</u>												
311	Highways	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
312	Street Naming	0	0	8,900	0	0	0	0	0	0	0	8,900
		0	0	8,900	0	0	0	0	0	0	0	8,900
534, 535	Off Street Parking	0	0	173,400	10,900	0	0	0	(890,300)	0	0	(706,000)
		0	0	204,000	10,900	0	0	0	(920,900)	0	0	(706,000)
<u>TOTAL Highways, Roads & Transport Services</u>			0	0	182,300	10,900	0	0	(890,300)	0	0	(697,100)
		0	0	212,900	10,900	0	0	0	(920,900)	0	0	(697,100)
<u>Housing Services</u>												
204	Rent Allowances	0	0	10,331,100	0	0	0	0	0	(211,800)	(10,109,400)	9,900
		0	0	10,331,100	0	0	0	0	0	(211,800)	(10,109,400)	9,900
203	Housing Benefits Admin	0	0	20,300	0	0	0	0	0	(7,000)	(110,000)	(96,700)
		0	0	21,900	0	0	0	0	0	(7,000)	(110,000)	(95,100)
591, 592, 593, 598	Other Housing Services	0	0	186,400	0	0	0	0	(13,000)	(32,500)	(143,000)	(2,100)
		0	0	383,000	0	0	0	0	(60,000)	(35,300)	(290,800)	(3,100)
<u>TOTAL Housing Services</u>			0	0	10,537,800	0	0	0	(13,000)	(251,300)	(10,362,400)	(88,900)
		0	0	10,736,000	0	0	0	0	(60,000)	(254,100)	(10,510,200)	(88,300)
<u>Non Distributed Costs</u>												
257	Non Distributed Costs	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
<u>TOTAL Non Distributed Costs</u>			0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
<u>Other Services</u>												
224	Misc Land & Property	0	0	3,200	0	0	0	0	0	(35,500)	0	(32,300)
		0	0	5,600	0	0	0	0	0	(35,500)	0	(29,900)
225	Industrial Sites	0	0	2,800	0	0	0	0	0	(114,900)	0	(112,100)
		0	0	1,800	0	0	0	0	0	(114,900)	0	(113,100)
<u>TOTAL Other Services</u>			0	0	6,000	0	0	0	0	(150,400)	0	(144,400)
		0	0	7,400	0	0	0	0	0	(150,400)	0	(143,000)
<u>SUB TOTAL</u>												
	<u>ORIGINAL 22/23</u>	12,407,600	109,100	18,635,500	717,000	0	0	0	(2,953,900)	(4,451,100)	(10,728,500)	13,735,700
	<u>REVISED 22/23</u>	12,986,800	107,500	19,412,900	717,000	0	0	0	(3,076,000)	(4,770,500)	(10,796,700)	14,581,000
<u>Less Vacancy/Savings Allowance 1%</u>												
<u>TOTAL AGREED BUDGET</u>												
	<u>ORIGINAL 22/23</u>	12,407,600	109,100	18,635,500	717,000	0	0	0	(2,953,900)	(4,451,100)	(10,728,500)	13,735,700
	<u>REVISED 22/23</u>	12,986,800	107,500	19,412,900	717,000	0	0	0	(3,076,000)	(4,770,500)	(10,796,700)	14,581,000

		Direct Costs				Recharges			Income			
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £
<u>Service Management & Support Services</u>												
172	Strategy, Performance & Governance	2,188,500	4,400	10,700	0	8,000	0	0	0	(50,500)	0	2,161,100
		1,869,500	4,400	10,700	0	9,800	0	0	0	(58,600)	0	1,835,800
171	Resources	2,526,500	0	122,100	0	99,000	0	0	0	0	0	2,747,600
		2,958,800	0	80,100	0	105,400	0	0	0	0	0	3,144,300
170	Service Delivery	7,327,000	15,000	71,800	0	154,200	0	0	0	0	0	7,568,000
		8,835,400	9,500	36,100	0	163,200	0	0	0	0	0	9,044,200
101	Corporate Core	0	0	800	0	0	0	0	0	0	0	800
		0	0	0	0	0	0	0	0	0	0	0
102	Election Services	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
103	Policy & Comms	0	0	43,200	0	0	0	0	0	0	0	43,200
		0	0	61,000	0	0	0	0	0	0	0	61,000
104	Training	0	0	49,200	0	0	0	0	0	0	0	49,200
		0	0	48,200	0	0	0	0	0	0	0	48,200
105	Human Resources	0	0	32,800	0	0	0	0	0	0	0	32,800
		0	0	32,800	0	0	0	0	0	0	0	32,800
106	Apprentices	18,000	0	0	0	0	0	0	0	0	0	18,000
		38,000	0	0	0	0	0	0	0	0	(6,500)	31,500
108	Committee Services	0	0	17,600	0	0	0	0	0	0	0	17,600
		0	0	18,800	0	0	0	0	0	0	0	18,800
109	General Office Support	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
110	Customer Services	0	0	16,400	0	0	0	0	0	0	0	16,400
		0	0	16,000	0	0	0	0	0	0	0	16,000
111	Internal Audit & Perf. Review	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
113	Finance	0	0	39,100	0	0	0	0	0	0	0	39,100
		0	0	39,100	0	0	0	0	0	0	0	39,100
114	Revenues & Benefits	0	0	105,700	0	0	0	0	0	(245,200)	0	(139,500)
		0	0	103,500	0	0	0	0	0	(172,900)	0	(69,400)
118	Leisure & Community	0	0	61,100	0	0	0	0	0	(9,000)	0	52,100
		0	0	68,900	0	0	0	0	0	(9,000)	0	59,900
119	IT Services	0	0	550,000	195,400	0	0	0	0	0	0	745,400
		0	0	600,400	195,400	0	0	0	0	0	0	795,800
121	Council Offices	0	0	244,600	87,100	(300,200)	0	0	0	(35,500)	0	(4,000)
		0	0	294,600	87,100	(320,200)	0	0	0	(61,500)	0	0
124	Princes Rd Depot	0	0	15,400	2,800	0	0	0	0	0	0	18,200
		0	0	16,800	2,800	0	0	0	0	(2,200)	0	17,400
129	Legal Services	0	0	5,500	0	0	0	0	0	(10,000)	0	(4,500)
		0	0	7,200	0	0	0	0	0	(10,000)	0	(2,800)
132	Environmental Health	0	0	12,600	0	0	0	0	0	0	0	12,600
		0	0	7,800	0	0	0	0	0	0	0	7,800
133	Environmental Waste	0	0	2,300	0	0	0	0	0	0	0	2,300
		0	0	2,300	0	0	0	0	0	0	0	2,300
134	Housing	0	0	1,400	0	0	0	0	0	0	0	1,400
		0	0	1,400	0	0	0	0	0	0	0	1400
141	Parks & Countryside Services	81,300	59,500	110,400	47,700	0	0	0	(46,400)	(75,000)	0	177,500
		0	75,600	121,200	47,700	0	0	0	(46,400)	0	0	198,100
149	Nursery	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	400	0	0	0	0	0	0	400
153	Parks Rangers	0	6,600	8,700	4,700	0	0	0	0	(87,800)	0	(67,800)
		0	10,200	4,300	4,700	0	0	0	0	(57,000)	0	(37,800)
155	Prom Depot	0	0	10,900	3,300	0	0	0	0	0	0	14,200
		0	0	11,200	3,600	0	0	0	0	0	0	14,800
163	Enforcement	0	0	6,200	0	0	0	0	0	0	0	6,200
		0	0	4,700	0	0	0	0	0	0	0	4,700
164	Economic Development	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
165	Planning Policy Services	0	0	0	0	0	0	0	0	0	0	0
		0	1,500	0	0	0	0	0	0	0	0	1,500
166	Planning Admin Services	0	0	24,900	0	0	0	0	0	0	0	24,900

BUDGETS
ORIGINAL 22/23 Above (WHITE)
ORIGINAL 23/24 Below (GREEN)

APPENDIX 3

		Direct Costs		Recharges				Income					
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £	
		0	0	9,000	0	0	0	0	0	0	0	0	9,000
167	Development Control Services	0	0	11,900	0	0	0	0	0	0	0	0	11,900
		0	0	17,900	0	0	0	0	0	0	0	0	17,900
168	Building Control Services	0	0	3,000	0	0	0	0	0	0	0	0	3,000
		0	0	8,200	0	0	0	0	0	0	0	0	8,200
TOTAL Service Management & Support Services		12,141,300	85,500	1,578,300	341,000	(39,000)	0	0	(46,400)	(513,000)	0	13,547,700	
		13,701,700	101,200	1,622,200	341,700	(41,800)	0	0	(46,400)	(371,200)	(6,500)	15,300,900	
												5,273,600	
Central Services Corporate Core & Democratic Core													
256	Corporate Management	0	0	308,500	0	0	0	0	0	(235,000)	(69,400)	4,100	
		0	0	607,500	0	0	0	0	0	(235,000)	(85,100)	287,400	
260	Democratic Representation & Mgt	234,300	14,000	26,200	1,100	39,000	0	0	0	0	0	314,600	
		254,300	14,000	20,400	0	42,500	0	0	0	0	0	331,200	
270	FM Implementation	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
TOTAL Corporate & Democratic Core		234,300	14,000	334,700	1,100	39,000	0	0	0	(235,000)	(69,400)	318,700	
		254,300	14,000	627,900	0	42,500	0	0	0	(235,000)	(85,100)	618,600	
												(328,500)	
Central Services to the Public													
202	Business Rates Collection	0	0	5,600	0	0	0	0	0	(5,100)	(90,000)	(89,500)	
		0	0	5,900	0	0	0	0	0	(5,100)	(90,000)	(89,200)	
209	Council Tax Benefit Admin	0	0	8,500	0	0	0	0	0	0	(61,800)	(53,300)	
		0	0	9,500	0	0	0	0	0	0	(57,000)	(47,500)	
216	Council Tax Collection	0	0	47,100	0	0	0	0	0	(101,200)	0	(54,100)	
		0	0	48,600	0	0	0	0	0	(101,200)	0	(52,600)	
213	Electoral Registration	0	0	49,400	0	0	0	0	0	0	0	49,400	
		0	0	49,500	0	0	0	0	0	0	0	49,500	
253	Civil Emergencies	0	0	37,900	0	0	0	0	0	0	(144,900)	(107,000)	
		0	0	37,900	0	0	0	0	0	0	0	37,900	
254	Election Management	0	0	36,000	600	0	0	0	0	0	0	36,600	
		0	0	36,000	600	0	0	0	0	0	0	36,600	
255	Land Charges	0	0	20,400	0	0	0	0	(124,300)	0	0	(103,900)	
		0	0	24,500	0	0	0	0	(124,300)	0	0	(99,800)	
TOTAL Central Services		0	0	204,900	600	0	0	0	(124,300)	(106,300)	(296,700)	(321,800)	
		0	0	211,900	600	0	0	0	(124,300)	(106,300)	(147,000)	(165,100)	
												(20,200)	
Cultural, Environmental & Planning Services Cultural Services													
501, 502, 503, 509, 520, 522	Sport	0	0	99,100	23,700	0	0	0	0	(319,600)	0	(196,800)	
		0	0	41,900	23,700	0	0	0	0	(59,000)	0	6,600	
122, 506, 508	Community Centres	0	0	25,500	8,800	0	0	0	0	(7,400)	0	26,900	
		0	0	31,100	8,800	0	0	0	0	(37,400)	0	2,500	
505, 511, 514, 516, 518, 519	Parks & Open Spaces	32,000	0	282,000	81,100	0	0	0	(657,500)	(197,800)	0	(460,200)	
		32,000	0	394,400	81,100	0	0	0	(746,800)	(204,500)	0	(443,800)	
542, 546	Heritage	0	0	2,500	2,200	1,500	0	0	0	0	0	6,200	
		0	0	2,500	2,200	1,600	0	0	0	0	0	6,300	
309	Rivers	0	6,100	32,400	7,400	0	0	0	(37,000)	(136,100)	0	(127,200)	
		0	5,900	37,700	7,400	0	0	0	(41,500)	(143,200)	0	(133,700)	
320, 325, 330	Tourism	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
TOTAL Cultural Services		32,000	6,100	441,500	123,200	1,500	0	0	(694,500)	(660,900)	0	(751,100)	
		32,000	5,900	507,600	123,200	1,600	0	0	(788,300)	(444,100)	0	(562,100)	
												(326,100)	
Environmental Services													
340	Public Entertainment Licences	0	0	30,600	0	0	0	0	(51,800)	(5,700)	0	(26,900)	
		0	0	33,700	0	0	0	0	(58,500)	(6,400)	0	(31,200)	
341	Hackney Carriage	0	0	18,800	0	0	0	0	(1,800)	(33,400)	0	(16,400)	
		0	0	20,200	0	0	0	0	(1,800)	(37,500)	0	(19,100)	

BUDGETS
ORIGINAL 22/23 Above (WHITE)
ORIGINAL 23/24 Below (GREEN)

APPENDIX 3

ORIGINAL 22/23 Above (WHITE) ORIGINAL 23/24 Below (GREEN)		Direct Costs				Recharges		Income				APPENDIX 3	
Cost Centre	Description	Staffing £	Transport £	Goods and Services £	Capital Charges £	Offices and Depots £	Support in £	Support out £	Fees and Charges £	Other Income £	Government Grant £	Net Budget £	
550	Public Conveniences	0	0	125,500	16,700	0	0	0	0	0	0	142,200	
		0	0	114,200	16,700	0	0	0	0	0	0	130,900	
555	Cemeteries	0	0	53,100	2,300	0	0	0	(112,100)	(300)	0	(57,000)	
		0	1,500	41,100	2,300	0	0	0	(129,800)	(300)	0	(85,200)	
562, 563	Community Safety	0	0	38,100	0	0	0	0	0	(14,300)	0	23,800	
		0	0	40,800	0	0	0	0	0	(14,300)	0	26,500	
576, 579, 581	Waste Management	0	2,300	4,440,000	220,100	0	0	0	(12,000)	(2,456,000)	0	2,194,400	
		0	3,900	5,042,200	220,100	0	0	0	(12,000)	(2,526,600)	0	2,727,600	
566, 567, 570, 571, 572, 573, 577	Other Environmental Health	0	1,200	54,400	1,100	0	0	0	(51,000)	(8,900)	0	(3,200)	
		0	1,800	55,500	1,100	0	0	0	(30,300)	(900)	0	27,200	
TOTAL Environmental Services		0	3,500	4,760,500	240,200	0	0	0	(228,700)	(2,518,600)	0	2,256,900	
		0	7,200	5,347,700	240,200	0	0	0	(232,400)	(2,586,000)	0	2,776,700	
		995,200											
Planning & Development Services													
232	Discretionary Rate Relief	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
301	Planning Policy	0	0	299,600	0	0	0	0	0	0	0	299,600	
		0	0	249,800	0	0	0	0	0	0	0	249,800	
302	Development Control	0	0	117,000	0	0	0	0	(757,800)	(15,600)	0	(656,400)	
		0	0	119,000	0	0	0	0	(757,800)	(15,600)	0	(654,400)	
303	Building Regs - Fee Related	0	0	500	0	0	0	0	(198,900)	0	0	(198,400)	
		0	0	500	0	0	0	0	(223,400)	0	0	(222,900)	
313	Building Regs - Non Fee Related	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
304	Building Conservation	0	0	1,800	0	0	0	0	0	0	0	1,800	
		0	0	1,800	0	0	0	0	0	0	0	1,800	
305	Economic Development	0	0	83,000	0	0	0	0	0	0	0	83,000	
		0	0	0	0	0	0	0	0	0	0	0	
307	Gypsy & Traveller	0	0	8,700	0	0	0	0	0	0	0	8,700	
		0	0	9,600	0	0	0	0	0	0	0	9,600	
317	Bradwell B	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
565	Community Grants	0	0	77,400	0	0	0	0	0	0	0	77,400	
		0	0	85,100	0	0	0	0	0	0	0	85,100	
TOTALPlanning & Development Services		0	0	588,000	0	0	0	0	(956,700)	(15,600)	0	(384,300)	
		0	0	465,800	0	0	0	0	(981,200)	(15,600)	0	(531,000)	
Highways, Roads & Transport Services													
311	Highways	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
312	Street Naming	0	0	8,900	0	0	0	0	0	0	0	8,900	
		0	0	8,900	0	0	0	0	0	0	0	8,900	
534, 535	Off Street Parking	0	0	173,400	10,900	0	0	0	(890,300)	0	0	(706,000)	
		0	0	204,700	10,900	0	0	0	(995,400)	0	0	(779,800)	
TOTAL Highways, Roads & Transport Services		0	0	182,300	10,900	0	0	0	(890,300)	0	0	(697,100)	
		0	0	213,600	10,900	0	0	0	(995,400)	0	0	(770,900)	
Housing Services													
204	Rent Allowances	0	0	10,331,100	0	0	0	0	0	(211,800)	(10,109,400)	9,900	
		0	0	9,632,600	0	0	0	0	0	(314,700)	(9,308,000)	9,900	
203	Housing Benefits Admin	0	0	20,300	0	0	0	0	0	(7,000)	(110,000)	(96,700)	
		0	0	21,800	0	0	0	0	0	(7,000)	(108,700)	(93,900)	
591, 592, 593, 598	Other Housing Services	0	0	186,400	0	0	0	0	(13,000)	(32,500)	(143,000)	(2,100)	
		0	0	186,400	0	0	0	0	(13,000)	(32,500)	(143,000)	(2,100)	
TOTAL Housing Services		0	0	10,537,800	0	0	0	0	(13,000)	(251,300)	(10,362,400)	(88,900)	
		0	0	9,840,800	0	0	0	0	(13,000)	(354,200)	(9,559,700)	(86,100)	
Non Distributed Costs													
257	Non Distributed Costs	0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	

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BUDGETS		APPENDIX 3											
ORIGINAL 22/23 Above (WHITE)		Direct Costs				Recharges			Income				
ORIGINAL 23/24 Below (GREEN)													
Cost Centre	Description	Staffing	Transport	Goods and Services	Capital Charges	Offices and Depots	Support in	Support out	Fees and Charges	Other Income	Government Grant	Net Budget	
		£	£	£	£	£	£	£	£	£	£	£	
TOTAL Non Distributed Costs		0	0	0	0	0	0	0	0	0	0	0	
		0	0	0	0	0	0	0	0	0	0	0	
Other Services													
224	Misc Land & Property	0	0	3,200	0	0	0	0	0	(35,500)	0	(32,300)	
		0	0	4,000	0	0	0	0	0	(39,000)	0	(35,000)	
225	Industrial Sites	0	0	2,800	0	0	0	0	0	(114,900)	0	(112,100)	
		0	0	2,900	0	0	0	0	0	(114,900)	0	(112,000)	
TOTAL Other Services		0	0	6,000	0	0	0	0	0	(150,400)	0	(144,400)	
		0	0	6,900	0	0	0	0	0	(153,900)	0	(147,000)	
SUB TOTAL		ORIGINAL 22/23	12,407,600	109,100	18,634,000	717,000	1,500	0	0	(2,953,900)	(4,451,100)	(10,728,500)	13,735,700
		ORIGINAL 23/24	13,988,000	128,300	18,844,400	716,600	2,300	0	0	(3,181,000)	(4,266,300)	(9,798,300)	16,434,000
Less Vacancy/Savings Allowance 1%													
TOTAL AGREED BUDGET		ORIGINAL 22/23	12,407,600	109,100	18,634,000	717,000	1,500	0	0	(2,953,900)	(4,451,100)	(10,728,500)	13,735,700
		ORIGINAL 23/24	13,988,000	128,300	18,844,400	716,600	2,300	0	0	(3,181,000)	(4,266,300)	(9,798,300)	16,434,000

Reserve	Purpose	Review Mechanism	Balance 31-Mar-23 £000's	Movement £000's	Balance 31-Mar-24 £000's	Movement £000's	Balance 31-Mar-25 £000's	Movement £000's	Balance 31-Mar-26 £000's	Movement £000's	Balance 31-Mar-27 £000's
Community Housing Fund Grant	Reserve to support Community-led housing delivery. Objective is to help deliver affordable housing aimed at first time buyers in response to the problem second homes can cause in reducing supply.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	(116)		(116)		(116)		(116)		(116)
Community Infrastructure levy and LDP review	Money has been put aside from unspent budgets to support the creation and adoption of the delayed LDP	Annually by the Strategic and Resources Committee at final accounts approval stage	(581)		(581)		(581)		(581)		(581)
Community Sports Network/Health & Wellbeing	The Council has schemes for awarding grants. The time limits on these grants exceed the financial year in which budget provision is made, necessitating a reserve to cover outstanding liabilities.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	(41)		(41)		(41)		(41)		(41)
Council Tax and Business Rates equalisation	This reserve is to counter the timing differences in Council Tax and Business Rates funding.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(1,932)	758	(1,174)		(1,174)		(1,174)		(1,174)
Electoral Registration	To provide a reserve to enable the Authority to forward fund the District Elections every 4 years and By-Elections when they occur.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	(102)		(102)		(102)		(102)		(102)
Feasibility Study reserve	Funds set aside for cost incurred in studying the feasibility of various commercial projects.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	(74)		(74)		(74)		(74)		(74)
Homeless Reduction Act Grant	Reserve set up to use three years of grant funding for Homelessness Reduction Officer.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(57)		(57)		(57)		(57)		(57)
Insurance liability	The Council maintains external insurance policies to cover major risks. In many cases the policies have excess clauses that require the Council to meet the first part of each claim. The Council has established this reserve to cover its liabilities under policy excesses, finance any claims for small risks not insured externally and cover any future liability that may arise from winding up of Municipal Mutual Insurance.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(52)		(52)		(52)		(52)		(52)

Neighbourhood Plan Applications	To provide funding for preparation of Neighbourhood Plans	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(29)		(29)		(29)		(29)		(29)
New Homes Bonus reserve	Committed to funding the Local Development Plan Review. Fully utilised in 2022/23.	Annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	0		0		0		0		0
Pensions Reserve	To provide a reserve to enable the Authority to forward fund the pension deficit for 3 years in 2023 and 2026.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages	(1,040)	1,040	0	(120)	(120)	(120)	(240)	240	0
Repairs & renewals fund	To provide funds to support additional revenue / capital costs arising from the need to maintain the Council's Asset base.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(172)		(172)		(172)		(172)		(172)
Revenue commitments	This reserve exists to smooth out the timing differences between monies being earmarked to expenditure from the annual revenue budget and the expenditure actually occurring.	Annually by the Strategic and Resources Committee at final accounts approval stage.	(11)		(11)		(11)		(11)		(11)
Corporate Delivery Fund Reserve	Set aside to assist in funding corporate priorities.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(93)		(93)		(93)		(93)		(93)
Transformation	To provide funds to meet the one-off investment costs of efficiency savings or service reductions to be realised in future years. Also to enable the upfront costs of potential income generating projects.	Annually by the Strategic and Resources Committee at final accounts approval stage.	(835)	343	(492)		(492)		(492)		(492)
Waste Contract Implementation	Money set aside towards the procurement and mobilisation of the new Waste contract.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(15)		(15)		(15)		(15)		(15)
Other Reserves	Other reserves have been set up in relation to the continuation of projects for which external funds have been received but have not been fully utilised within that particular year. These include Community Safety and Economic Development.	Bi-annually by the Strategic and Resources Committee at budget setting and final accounts approval stages.	(198)	0	(198)	0	(198)	0	(198)	0	(198)
Total Earmarked Reserves			(5,349)	2,141	(3,208)	(120)	(3,328)	(120)	(3,448)	240	(3,208)

Section 151 Officer's statement on robustness of budgets and adequacy of reserves

Introduction

The Section 151 Officer (S151 of the Local Government Act 1972) is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

- (1) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major precepting authority) or section 85 of the Greater London Authority Act 1999 (c.29) (Great London Authority) applies is making calculations in accordance with that section, the chief finance officer of the authority must report to it on the following matters-*
- (a) The robustness of the estimates made for the purposes of the calculations, and*
 - (b) The adequacy of the proposed financial reserves.*
- (2) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.*

This includes reporting and taking into account:

- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
- The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.

This report has to be considered and approved by Council as part of the budget approval and Council Tax setting process.

This document concentrates on the 2023/24 Revenue Budget Estimates, the proposed Capital Programme, Capital Strategy and Investment Strategy, but in addition it also considers key medium-term issues faced by the Council.

Assurance Statement of the Council's Section 151 Officer

The following are the summary assurances and recommendations of the Council's Section 151 Officer.

In relation to the 2023/24 budget, I have examined the budget proposals and I believe that, whilst the spending and service delivery proposals are challenging, they are nevertheless achievable given the political and management will to implement them, good management, and the sound monitoring of performance and budgets. I am satisfied that sufficient management processes exist within the Council to deliver this budget and to identify and deal with issues which may arise unexpectedly during the year.

1. My assurance is conditional upon:

- The agreement of a Medium-Term Financial Strategy for 2023/24 to 2025/26.
 - Life in the post-COVID-19 world. The aftermath still affects some Council services, such as Waste and Leisure Centres. Of particular concern is the loss of income from the leisure centre management fee.
 - Inflation has risen higher than forecast and high levels are still embedded in the economy. Assumptions have been made around these levels, but rates are volatile, and the staff pay award for 23/24 is unknown and represents the largest area of inflationary risk.
 - A recognition in the medium term planning approach that the level of reserves and corporate risk assessment need to be regularly reviewed in the light of changing circumstances and that it may not be possible to match the two at any single point in time. The Council needs to show a commitment to maintain reserves at a level which provides adequate cover for most identified risks during the planning period. This approach is pragmatic and shows a clear commitment to prudent financial planning.
 - Councillors, Directors, Service Managers and budget holders managing their services with challenge on spending decisions and giving due regard to and exercising the financial controls and checks set out within the Council's Financial Regulations and Contract Standing Orders and delegations and spending within budget.
 - That the Council has arrangements and resources in place to consider value for money in preparation for future years' budgets.
2. The business rates revaluation takes effect from 1st April 2023 and has created a higher degree of uncertainty. Assurance around the budgeted figures has been provided by an external consultant and the Council's Finance Team to me, that income should not be significantly below that forecast. There is potential that the income could be higher, but this has not been built into the budget as it is dependent on a number of factors including the figures from the Essex Pool, how the government adjusts the baseline for 2024/25 to compensate for changes in the revaluations and appeals.
3. In relation to the adequacy of reserves, the overall position is that the authority has adequate balances across the General Fund and Capital but recognises that over the medium term these are reducing rapidly at an unsustainable rate. The policy on reserves and use of balances is set out annually and agreed in the medium term financial strategy.
4. In relation to the General Fund Capital Programme 2023/24, balances remain above zero, but the capital receipts reserve is declining.

Level of Reserves

The Local Authority Accounting Panel (LAAP) provided a bulletin giving guidance to local authority chief finance officers in England, Northern Ireland, Scotland and

Wales on the establishment and maintenance of local authority reserves and balances (LAAP Bulletin 99).

The bulletin provides the following table of budget assumptions that Councils should consider when assessing the adequacy of their reserves.

Budget Assumptions	Financial standing and management assessment/impact
The treatment of inflation and interest rates	<p>Inflation has been provided based on official forecasts set out in the MTFS. Currently inflation is high although falling but remains volatile. The Council's biggest exposure is to the refuse contract but that is based on January's rates, reducing the likelihood of significant change and therefore risk.</p> <p>Due to higher interest rates, investment income is forecast to be higher this year. There remains a risk that rates may be lower than assumed and although the budget is conservative against forecast market conditions, 25% less income should be provided for in the reserves.</p>
Estimates of the level and timing of capital receipts	The budget is not reliant on capital receipts.
The treatment of demand led pressures	<p>The pandemic saw an increase in house waste and recycling. Services have adjusted to this, and further significant increases are deemed low risk.</p> <p>Due to a variety of factors, support for housing from the Council is increasing. This has been contained within existing grant funding to date but there is a risk this demand will increase in 23/24.</p>
The treatment of planned efficiency savings/ productivity gains	The savings proposed are achievable although a contingency is included in budget to address this risk already.
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments	The waste contract is due for renewal at the end of 23/24. Historically the contract has performed well and good progress around renewal options has been made. Potential financial implications are included in the budget.
The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions	<p>The Council takes a low-risk approach to insurance and does not seek to self-insure through reserves or other means.</p> <p>There is a budget for unexpected emergency planning events and the Council would take advantage of the Bellwin scheme for financial assistance in exceptional emergency circumstances.</p>

APPENDIX 5

The general financial climate to which the authority is subject	<p>Figures from the Local Government Finance Settlement have been incorporated into the budget. As a one-year settlement there is uncertainty for future years although the risk of future settlements being significantly lower than budgeted is assumed low.</p> <p>Moving from a pandemic to a cost-of-living crises has resulted in a volatile economic climate. Impacts of COVID are now based into the budget including the income loss from leisure centres. The high level of inflation is taken into account, as well as potential impacts on collection rates and the business rates equalisation reserve, which also provides for fluctuations in income.</p>
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Risk should also be considered in terms of the Council's largest areas of expenditure and income. The following table considers the areas that make up the top 82% of the Council's expenditure.

Expenditure	£000	% of Gross Exp	Risk Analysis
Employee Costs	10,713	54%	An allowance of 5% has been included in the budget for inflationary pay. Inflation is expected to fall next year, with this year's pay award averaging 5.25%. Benchmarking has shown 5% to be broadly in line with others. Similar to this year's award, the Unions have submitted a request for RPI+2% increase in pay (12.7%). Given the current public sector activity it would be prudent to have additional reserve available in the event the final award is higher. A 5% additional allowance would be £536k.
Refuse & Recycling	4,431	22%	The contract rises with January's inflation rates. Although not available at the time of preparing the budget these are showing to be accurate estimates and little risk of significant variation given the time scale. Capacity to manage additional waste remains good although this is not expected to fluctuate drastically.
IT Software & Hardware	748	4%	Inflationary increases have been included and the risk of significant increases is low as contracts generally run for more than one year.
Street Cleansing	615	3%	Inflationary increases have been included and is assumed low risk given past performance.
Total	16,507	82%	

The following table considers the areas that make up the top 70% of the Council's income.

Income	£000	% of Gross Inc	Risk Analysis
Refuse & Recycling	2,534	33%	Tonnage and prices can vary the income that is received by the Council. An additional £150k was included in the budget as prices for recycling increased. To manage risk this figure should be available in reserves if prices change unexpectedly.
Car Parking	1,454	19%	Overall income is close to budget for 2022/23. As the cost-of-living crises continues it would be prudent to allow for a 10% loss of car parking income in the reserves.
Development Control	773	10%	Demand for planning services remains strong.
Property Rent and Leases	564	7%	The Council's property profile has remained robust through COVID however it would be prudent to provide a 10% allowance to reflect the current market conditions.
Total	5,325	70%	

Past performance of the Council's outturn against budget should also be considered in the context of ensuring an adequate level of reserves. Historically the Council has performed well against budget with current projections showing a 1% variance against the budget this year. However, due to unplanned health and safety work and market conditions within the planning sector there have been supplementary estimates. These issues have now been addressed or budgeted for but given these factors a 10% budget variance on non-salary budgets should be allowed for.

Should the Council need to realign itself urgently to ensure a balanced budget can be delivered then capacity should be allowed for this. Based on the costs of the first two years of transformation presented to the Overview and Scrutiny Committee this would be £1,365k. This excludes the ICT costs that were incurred as those systems are now operational and improvements continue to be made. However, the transformation reserve is also available to support this.

A summary of the risks covered, and monetary value assigned to them is provided in the following table:

Risk Area	£000
Difference in pay award	536
Recycling Income	150
Car Parking Income	145
Rents and Leases Income	56
10% Variance again net budget excluding pay	243
25% reduction in Interest rates income	150
Cost of repositioning the Council	1,365
Total	2,645

Based on the risks it is recommended the minimum general fund level remains at £2.6m. This represents 21% of the annual net service expenditure.

Assurance

Given all these factors, I, as the Council's Section 151 Officer, consider the estimates for 2023/24 to be sufficiently robust, but challenging, for approval by the Council. I am also able to advise the Council that the planned level of usable General Fund Reserves and the working balance is adequate for next year.

The 2023/24 budget is the second year where a drawdown from reserves has been required following the impact of COVID and now the cost-of-living crisis. Although the reserves at the end of 2023/24 are forecast to be of an adequate level, the future years' General Fund reserve is forecasted to drop below the minimum recommended level of £2.6m.

This forecast is based on a variety of assumptions and no further assumed action being taken to address this. As such it is important that this is viewed as an early warning of the significant future challenges ahead and that prompt action is taken to avoid an unsustainable use of reserves in future years.

Chris Leslie, Director of Resources (Section 151 Officer)

Survey methodology

The budget survey was live from 11th August to 11th September. It was online and supported by Communications promotion, with the option of calling to request a paper survey also promoted. In 2021, we only received 70 responses to the previous budget survey

This year, the response number was 134, which is almost double the sample, but caution must be applied, as 300+ counts as a good representative sample for a self-selecting survey in Maldon.

Overall survey findings:

- 53% agreed with the principle of raising council tax by £5/ 2% a year. 36% disagreed.

The government have set a limit to increase council tax by 2% or £5 a year (whichever is greater). Maldon has factored into the medium-term financial plan a £5 increase (10p a week) to try and maintain services, given reductions in grant funding and inflationary costs. Do you agree with this approach?

Yes	70
No	47
Unsure	14
I do not pay Council Tax	1



- 9% were unable to cope financially and a further 45% struggling to cope financially with the current cost of living crisis. 31% reported that they were financially comfortable and 16% were unsure.

Do you feel the current cost of living crisis is having an impact of how you manage your household finances?

I am unable to cope financially	12
I am struggling to cope financially	59
Not sure	21
I feel slightly comfortable financ...	34
I am very comfortable financially	6

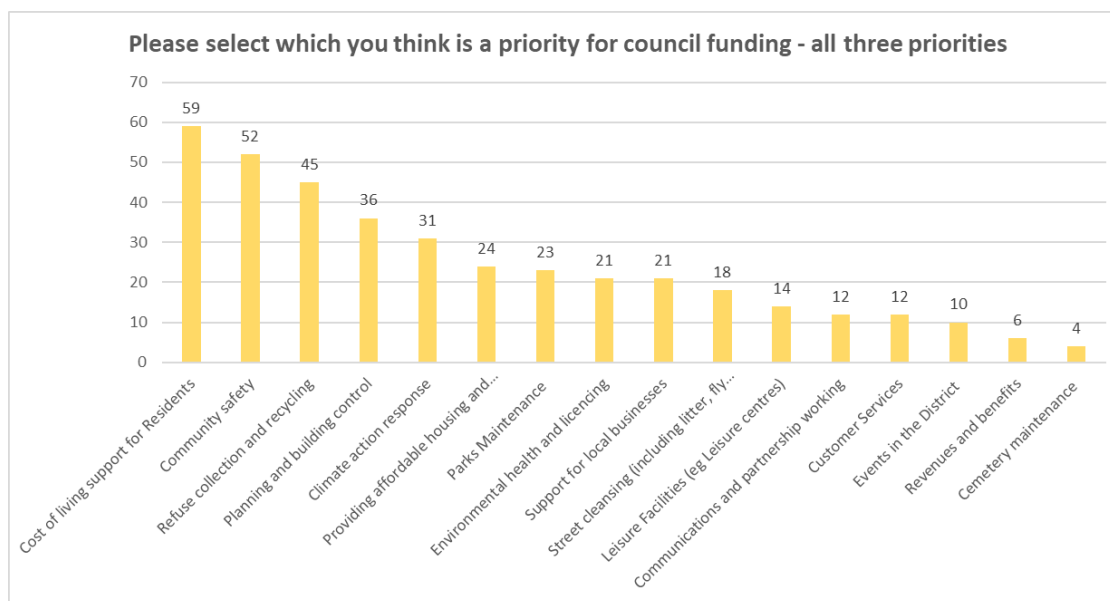


Council funding priorities

Respondents were asked to select from the list of 16 categories their top three priorities for Council funding. The results of these have been combined below. All of the categories were selected by at least four respondents. Not all respondents to the survey made a selection.

The top three categories that were prioritised most frequently were:

- Cost of living support for residents
- Community safety
- Refuse collection and recycling



Free text comments

As these comments were unprompted, any clusters are representative of a trend for those who responded to the survey.

For some of the comment clusters, an illustrative comment has been shown to describe the mood of the survey responses.

Numbers shown in brackets represent the number of individuals that commented along this theme.

Comments received: If you would like to provide any comments relating to the selections you have made above please do so here.

- Infrastructure to support housing (eg schools, medical, roads) (18)

How can you have place as a priority when your flooding the area with excessive house builds and unsupported by appropriate infrastructure improvements- have you attempted to drive through Latchingdon, or get a doctor, pharmacy or school without driving in to Maldon or Woodham?

- Thematic strategies too vague/ not clear on detail (11)

The priorities do not clearly explain what you are actually going to do. It would be useful to know what actions are actually being taken or will be taken

- Burnham infrastructure (7)

The Quayside of Burnham-on-Crouch requires urgent investment - in particular the storm damaged pontoon urgently requires renewal

- Green spaces and trees (7)

Think there needs to be more investment in playgrounds for children and Green spaces for everyone. The playground at the top of Maldon Prom is in a terrible state and needs investment. Also local play parks and green spaces in villages need to be considered.

- Services aren't being delivered to legal standard/ Questions what MDC is delivering (4)
- Unimpressed having to download and review strategy document(3)
- Reduce parking costs to increase visitors/ support businesses (3)
- Parish/ County Council(s) should be spending better (3)
- Timely delivery of strong LDP (2)
- Shouldn't charge Council tax at all/ Council tax not value for money (2)

Other comments where one response was received

- Building houses that are for local families

- Clean, tidy, safe area
- High street pollution (pedestrianise. Park and ride)
- Supporting businesses
- Be diligent about any cost of living grants

Comments received: If there is a different strategic priority you think the Council should focus on please tell us here

- Infrastructure / facilities (25)

Improving traffic flow, especially through Heybridge which will help reduce co2

Mitigation of too much housing for the limited resources in the District

- Climate emergency (5)

Preparing the region for dealing with our climate Emergency

- Lack of trust in delivery (5)

No - I have no faith that MDC will deliver on anything other than what is in their self-interest to do

- Cost of living crisis support (4)
- Support local residents with staying in district (4)
- Cleaning town (3)
- Burnham quay/ infrastructure (3)
- Events (3)
- Small business support in high street (3)
- Cheaper parking (2)
- Better comms with residents (2)

Other comments where one response was received

- Prioritise resource to save money
- Council staff back in offices
- Health and wellbeing
- Rural broadband
- Paying contractors, improving performance eg bins
- Reduce Council Tax
- Reduce payments to Councillors
- Against resources diverted to refugees

Comments received: If you have any suggestions as to how the Council should save money or generate more income please tell us.

- Prom and riverside assets/ events (13)

Have hireable kayaks at the lake in the Prom. The old swimming lake is a large and deep body of water that currently is only used by birds! Why could this not become a water-sports area, your community strategy talks about improving the health and physical opportunities for residents, and you could likely get funding from one of the national watersporting groups, or livewell or active essex funding.

- Spend money more wisely (10)

Cut hours of management by 1 day

As things currently stand - No discretionary services should be provided. You - many Local Authorities - have wondered well out of your lane. Get back in it. You should only be providing the non-discretionary services; those legally required to.

Additionally, I feel there's too much focus on the "nice to have" items without enough on the basics

- Build high street businesses (5)

Ease the burden on the high street by removing parking charges at certain times to encourage people there. Build more relationships via a proper economic development team. Come back to work in your

offices and make the most of the empty spaces in the high street for pop up vendors. Consider extra events you could have at the prom including local businesses instead of outsourcing to big event companies.

- Sell offices (4)

Rent out (or sell) spare office space. Sell the museum building.

- Funds from housing used for infrastructure (4)

If you're going to approve housing, insist on developments that provide necessary infrastructure support to the area, such as improved traffic management, doctors, pharmacy, retail. Not a token coffee shop !!!

- Bring underperforming services in-house (2)

Bring services back in house. If not then improved contract management of refuse service. Routinely my collection is missed but I see no evidence that you manage the contracts when service falls below KPI and seek to secure financial recompense for a service not carried out/incompletely carried out.

- Parking and littering fines , developer fines (2)
- Planning decisions that cant be overturned (2)

Other comments where one response was received

- Address fraud and council tax non-payment
- Promote high street
- Charge 50p tip visits
- Reduce amount given to ECC
- Increase council tax for those with 5+ bedrooms
- Sell museum building
- Stop running MDC
- Reduce support for 'immigrants'
- Reduce Councillor payments

Misconceptions

Ask the planning committee to hand over their brown envelopes to you...

Comments received: If you have any other comments about the council's budgets

- Areas underfunded eg Woodham water, Burnham (3)
- Council tax unlawful (3)
- Fix potholes/ reduce ECC money (2)
- Don't waste money on climate change (it's natural warming) (2)

Other comments where one response was received

- Make council office carpark a public carpark
- Only run non-discretionary services
- Understanding the budget is tricky, thanks for being able to give feedback
- Council tax discount for those on private roads
- Be transparent about budget decisions
- Moorings are neglected – eg Northsea Island
- Care for older people eg St Peter's hospital
- Cost of living should come from Central government

NB There were also further questions included in the budget survey relating to the Local Council Tax Support Scheme. Results of these will be shared with the officers involved with reviewing the scheme.



REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

COUNCIL TAX 2023 / 24

1. PURPOSE OF THE REPORT

- 1.1 The Council is required to set out the total amount that needs to be raised from Council Tax in the forthcoming year. This is known as the Council Tax precept (Council Tax Requirement) for Maldon District Council and forms part of the funding that supports the services provided by the Council. Ultimately, this report sets the amount of Council Tax charged to each household in the District.
- 1.2 The report not only details the average amount of Council Tax charged by Maldon but also includes the total amounts of Council Tax expected to be collected for Essex County Council, the Essex Police, Fire and Crime Commissioner Fire and Rescue Authority (EPFCCFRA) for both Fire and Police services, and the various Parish Councils within the District.

2. RECOMMENDATIONS

- (i) that Maldon District Council's Council Tax Requirement for 2023 / 24 is set at £5,663,960;
- (ii) that the Maldon District Council's Band D Council Tax (excluding Parish precepts) is set at £218.75, reflecting an increase of £6.35 (2.99%), all other bands being determined in accordance with the relevant Sections of the Local Government Finance Act 1992, as amended;
- (iii) that the precept demands and level of Band D Council Tax of the Essex County Council, the EPFCCFRA for both Police and Fire, and the various Parish Councils within the District be determined as set out in the report, all other bands being determined in accordance with the relevant Sections of the Local Government Finance Act 1992, as amended;
- (iv) that the Council agrees the resolution set out at **APPENDIX A**.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council is statutorily required to determine its own Council Tax Requirement and, including precepts determined by the other precepting authorities, to determine the Council Tax for the 2023 / 24 financial year (**APPENDIX A**).
- 3.2 Setting the level of council tax to be charged and calculating the total amount of council tax to be drawn from the collection fund is the final stage of the budget

process. Council tax is a major form of funding that pays for the services provided to residents. The amount of funding the council may raise in council tax is limited by:

- the number and council tax valuation band of the properties in the district on which a charge for council tax can be applied (referred to as the council tax base); and
- the maximum increase that may be applied to the current council tax level (without a referendum being triggered).

3.3 Maldon's council tax base for 2023 / 24 expressed as Band D equivalent properties is 25,892.3 and was agreed by the Council on 3 November 2022.

3.4 The Government laid before the House of Commons a written ministerial statement on the Final Referendum Principles for approval. For Maldon District Council, if it wished to raise its relevant basic amount of Council Tax for 2023 / 24 by the greater of:

(a) 3%, or more, greater than its relevant basic amount of council tax for 2022 / 23;

and

(b) more than £5 greater than its relevant basic amount of council tax for 2022 / 23.

then a referendum of the local electorate would be required to approve or veto the increase.

3.5 The Council is intending to increase its own Council Tax by 2.99%, which is within the referendum thresholds. The table below illustrates the impact of the £6.35 increase for each of the council tax bands:

A	B	C	D	E	F	G	H
£4.23	£4.94	£5.64	£6.35	£7.76	£9.17	£10.58	£12.70

3.6 Essex County Council is reporting a budget and precept increase of 3.5%, including an increase of the Adult Social Care Precept by 2.0%. The Police and Crime Commissioner for Essex and Essex County Fire and Rescue Service are reporting their budget increases of 6.84% and 6.57% respectively.

3.7 Maldon District Council's Council Tax Requirement 2023 / 24

3.7.1 The Council Tax Requirement as calculated and recommended is £5,664,960. The table below illustrates the calculation:

	2022 / 23	2023 / 24
	£	£
Maldon District Council Net Budget Requirement	6,167,783	7,389,501
Government Grant		
Baseline Business Rates	(1,532,729)	(683,344)
Business Rates Retention Scheme	(781,516)	(1,800,394)
Collection Fund Net Deficit	1,567,750	758,197
Maldon District Council Tax Requirement	5,421,288	5,664,960

- 3.7.2 The Council Tax Requirement including all preceptors is shown in the table below. The percentage increase is due to both an increase in the Tax Base and the Budget Requirement.

Precepting and Billing Authority	2022 / 23 £	2023 / 24 £	Change %
Essex County Council	35,762,664	37,548,240	4.99%
Essex County Fire and Rescue Service	1,922,749	2,078,613	8.11%
Office of the Police and Crime Commissioner for Essex	5,577,579	6,044,992	8.38%
Maldon District Council	5,421,362	5,663,960	4.47%
Parish Council's (Aggregate)	1,603,414	1,652,967	3.09%
Total	50,287,766	52,988,771	5.37%

- 3.7.3 The Average Council Tax for each household is calculated by taking the precept requirement and dividing it by the Council Tax Base. The average is always shown as Band D equivalent. All other bands are calculated by applying a ratio to the Band D Council Tax.
- 3.7.4 The table below shows the resulting Band D Council Tax amount for each of the precepting authorities that make up the Council Tax bill. The Parish element is not shown in this table as it will be different for each Parish area depending on the amount of the Parish precept. The individual Parish Precepts are shown in **APPENDIX A** section 3 (g).

Precepting and Billing Authority	2022 / 23 £	2023 / 24 £	Change %
Essex County Council	1,401.12	1,450.17	3.50%
Essex County Fire and Rescue Service	75.33	80.28	6.57%
Office of the Police and Crime Commissioner for Essex	218.52	233.47	6.84%
Maldon District Council	212.40	218.75	2.99%
Total	1,907.37	1,982.67	3.95%

- 3.7.5 The 2023 / 24 average Parish Band D Council Tax increase equates to £75.30 and gives an overall Band D average charge of £1,982.67 compared to the current year Band D average charge of £1,907.37.
- 3.7.6 In accordance with Section 30-36 of the Local Government and Finance Act, 1992, as amended, the Council Tax payable for each band of property by Parish taking into account the individual precept requirement for each Parish Council has been calculated as set out in **APPENDIX A** – Table A.

4. CONCLUSION

- 4.1 The Council as the billing authority is statutorily required to determine its own Council Tax Requirement and include the precepts determined and notified to the Council by the precepting authorities, to determine the Council Tax for the 2023 / 24 financial year. This report and the Appendices do that.

5. IMPACT ON STRATEGIC THEMES

- 5.1 This report discharges the Council's statutory function as a Council Tax billing authority.

6. IMPLICATIONS

- (i) **Impact on Customers** – The report and the Appendices sets out the Council Tax that will be payable by residents of the District for the financial year commencing 1 April 2023.
- (ii) **Impact on Equalities** – None arising directly from this report.
- (iii) **Impact on Risk** – Significant legal and statutory default risk if the Council fails to set the Council Tax for its area for 2023 / 24.
- (iv) **Impact on Resources (financial)** – Significant financial and statutory default risk if the Council fails to set the Council Tax for its area for 2023 / 24.
- (v) **Impact on Resources (human)** – None arising from this report.
- (vi) **Impact on the Environment** – None arising directly from this report.

Background Papers: Council Tax Base Report to the Council, 3 November 2022.

Enquiries to: Lance Porteous, Lead Finance Specialist.

COUNCIL TAX 2023 / 24 RESOLUTION

The Council is recommended to resolve as follows:

1. That it be noted that at its meeting on 3 November 2022 the Council calculated its Council Tax Base for the year 2023 / 24:
 - (a) for the whole district as 25,892.3 Item T in the formula in Section 31B of the Local Government Finance Act 1992 (the Act), as amended by the Localism Act 2011; and
 - (b) for dwellings in those parts of its district to which a Parish precept relates as listed below:

Althorne	511.0
Asheldham	64.1
Bradwell-on-Sea	340.7
Burnham-on-Crouch	3,602.0
Cold Norton	502.8
Dengie	48.9
Goldhanger	313.0
Great Braxted	179.7
Great Totham	1,290.7
Hazeleigh	60.4
Heybridge	2,830.1
Heybridge Basin	271.2
Langford	90.5
Latchingdon	506.6
Little Braxted	81.9
Little Totham	196.6
Maldon	5,660.2
Mayland	1,492.6
Mundon	149.6
North Fambridge	461.2
Purleigh	582.6
Southminster	1,634.1
St. Lawrence	590.0
Steeple	189.3
Stow Maries	88.9
Tillingham	394.5
Tollesbury	1,003.0
Tolleshunt D'arcy	449.4
Tolleshunt Knights	420.6
Tolleshunt Major	275.3
Ulting	76.0
Wickham Bishops	1,003.5
Woodham Mortimer	258.8
Woodham Walter	272.1
	25,892.3

2. Calculate that the Council Tax Requirement for the Council's own purposes for 2023/24 (excluding Parish precepts) is £5,664,960.

3. That the following amounts be calculated by the Council for the year 2022 / 23 in accordance with new Sections 31 to 36 of the Act as amended:
- (a) £28,877,311 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act, taking into account all precepts issued to it by Parish Councils **(i.e. gross expenditure including Parish precepts)**
 - (b) £21,560,384 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act **(i.e. gross income including government grants)**
 - (c) £7,316,927 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year (Item R in the formula in Section 31B of the Act) **(i.e. Council Tax Requirement including Parish precepts)**.
 - (d) £282.59 being the amount at 3(c) above (Item R) divided by the amount at 1(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year **(i.e. average Band D Council Tax including Parish precepts)**
 - (e) £1,652,967 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act **(i.e. Parish Council precepts)**
 - (f) £218.75 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates **(i.e. District Council Band D Council Tax excluding Parish precepts)**.
 - (g) Basic Amount of Council Tax by Parish 2023 / 24

Town/Parish	Local Precept	Town/Parish Band D	District + Town/Parish Band D
Althorne	25,000.00	48.92	267.67
Asheldham	4,009.00	62.47	281.22
Bradwell-on-Sea	27,540.00	80.83	299.58
Burnham-on-Crouch	198,390.00	55.08	273.83
Cold Norton	41,600.00	82.74	301.49
Dengie	3,056.00	62.47	281.22
Goldhanger	10,500.00	33.55	252.30
Great Braxted	10,231.00	56.93	275.68
Great Totham	17,243.00	13.36	232.11
Hazeleigh	1,256.55	20.79	239.54
Heybridge	204,000.00	72.08	290.83
Heybridge Basin	34,000.00	125.37	344.12
Langford	6,183.00	68.31	287.06
Latchingdon	44,495.00	87.80	306.55

Town/Parish	Local Precept	Town/Parish Band D	District + Town/Parish Band D
Little Braxted	4,775.00	58.30	277.05
Little Totham	8,790.00	44.71	263.46
Maldon	392,996.00	69.43	288.18
Mayland	102,254.00	68.51	287.26
Mundon	7,000.00	46.79	265.54
North Fambridge	22,330.00	48.42	267.17
Purleigh	47,000.00	80.67	299.42
Southminster	140,990.00	86.28	305.03
St. Lawrence	33,214.00	56.29	275.04
Steeple	11,064.00	58.44	277.19
Stow Maries	7,020.00	78.96	297.71
Tillingham	37,200.00	94.29	313.04
Tollesbury	107,510.34	107.19	325.94
Tolleshunt D'arcy	22,721.40	50.56	269.31
Tolleshunt Knights	10,800.00	25.67	244.42
Tolleshunt Major	8,900.00	32.32	251.07
Ulting	4,317.00	56.80	275.55
Wickham Bishops	22,536.00	22.46	241.21
Woodham Mortimer	5,380.46	20.79	239.54
Woodham Walter	28,665.00	105.35	324.10

These amounts are calculated by adding to the amount at 3(f) above, the amounts of the special item or items relating to dwellings in those parts of the Councils area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(h) Calculation of Basic Amounts of Council Tax by Parish for Different Valuation Bands

PARISH	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Althorne	178.44	208.19	237.92	267.67	327.15	386.63	446.11	535.34
Asheldham	187.48	218.73	249.97	281.22	343.71	406.20	468.70	562.44
Bradwell-on-Sea	199.72	233.01	266.29	299.58	366.15	432.72	499.30	599.16
Burnham-on-Crouch	182.55	212.98	243.40	273.83	334.68	395.53	456.38	547.66
Cold Norton	200.99	234.49	267.99	301.49	368.49	435.48	502.48	602.98
Dengie	187.48	218.73	249.97	281.22	343.71	406.20	468.70	562.44
Goldhanger	168.20	196.23	224.26	252.30	308.37	364.43	420.50	504.60
Great Braxted	183.78	214.42	245.04	275.68	336.94	398.20	459.46	551.36
Great Totham	154.74	180.53	206.32	232.11	283.69	335.27	386.85	464.22
Hazeleigh	159.69	186.31	212.92	239.54	292.77	346.00	399.23	479.08
Heybridge	193.88	226.20	258.51	290.83	355.46	420.09	484.71	581.66
Heybridge Basin	229.41	267.65	305.88	344.12	420.59	497.06	573.53	688.24
Langford	191.37	223.27	255.16	287.06	350.85	414.64	478.43	574.12
Latchingdon	204.36	238.43	272.48	306.55	374.67	442.79	510.91	613.10
Little Braxted	184.70	215.48	246.26	277.05	338.62	400.18	461.75	554.10
Little Totham	175.64	204.91	234.18	263.46	322.01	380.55	439.10	526.92

APPENDIX A

PARISH	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Maldon	192.12	224.14	256.16	288.18	352.22	416.26	480.30	576.36
Mayland	191.50	223.43	255.34	287.26	351.09	414.93	478.76	574.52
Mundon	177.02	206.53	236.03	265.54	324.55	383.56	442.56	531.08
North Fambridge	178.11	207.80	237.48	267.17	326.54	385.91	445.28	534.34
Purleigh	199.61	232.88	266.15	299.42	365.96	432.49	499.03	598.84
Southminster	203.35	237.25	271.13	305.03	372.81	440.60	508.38	610.06
St. Lawrence	183.36	213.92	244.48	275.04	336.16	397.28	458.40	550.08
Steeple	184.79	215.59	246.39	277.19	338.79	400.38	461.98	554.38
Stow Maries	198.47	231.55	264.63	297.71	363.87	430.02	496.18	595.42
Tillingham	208.69	243.48	278.25	313.04	382.60	452.17	521.73	626.08
Tollesbury	217.29	253.51	289.72	325.94	398.37	470.80	543.23	651.88
Tolleshunt D'arcy	179.54	209.46	239.38	269.31	329.16	389.00	448.85	538.62
Tolleshunt Knights	162.94	190.11	217.26	244.42	298.73	353.05	407.36	488.84
Tolleshunt Major	167.38	195.28	223.17	251.07	306.86	362.65	418.45	502.14
Ulting	183.70	214.32	244.93	275.55	336.78	398.01	459.25	551.10
Wickham Bishops	160.80	187.61	214.40	241.21	294.81	348.41	402.01	482.42
Woodham Mortimer	159.69	186.31	212.92	239.54	292.77	346.00	399.23	479.08
Woodham Walter	216.06	252.08	288.08	324.10	396.12	468.14	540.16	648.20

These amounts are calculated by multiplying the amounts at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band, divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year, in respect of categories of dwellings listed in different valuation bands.

That it be noted for the year 2023 / 24 the major precepting authorities have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated in the table below:

Precepting Authority	Valuation Bands			
Essex County Council	A	£966.78	E	£1,772.43
	B	£1,127.91	F	£2,094.69
	C	£1,289.04	G	£2,416.95
	D	£1,450.17	H	£2,900.34
Essex PFCC F&RA* Essex Police and Crime Commissioner	A	£155.64	E	£285.35
	B	£181.59	F	£337.23
	C	£207.53	G	£389.11
	D	£233.47	H	£466.93
Essex PFCC F&RA* Essex Fire and Rescue Authority	A	£53.52	E	£98.12
	B	£62.44	F	£115.96
	C	£71.36	G	£133.80
	D	£80.28	H	£160.56

* Essex Police, Fire and Crime Commissioner Fire and Rescue Authority

APPENDIX A

5. That, having calculated the aggregate in each case of the amounts at 3(h) and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the year 2023 / 24 for each part of its area and for each of the categories of dwelling shown in Table A attached.
6. Determines that the Council's basic amount of Council Tax for 2023 / 24 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended.

As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2023 / 24 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992, as amended.

Total Council Tax Amounts (£) by Band and Area 2023 / 24

TABLE A

Parish/Area	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Althorne	1,354.38	1,580.13	1,805.85	2,031.59	2,483.05	2,934.51	3,385.97	4,063.17
Asheldham	1,363.42	1,590.67	1,817.90	2,045.14	2,499.61	2,954.08	3,408.56	4,090.27
Bradwell-on-Sea	1,375.66	1,604.95	1,834.22	2,063.50	2,522.05	2,980.60	3,439.16	4,126.99
Burnham-on-Crouch	1,358.49	1,584.92	1,811.33	2,037.75	2,490.58	2,943.41	3,396.24	4,075.49
Cold Norton	1,376.93	1,606.43	1,835.92	2,065.41	2,524.39	2,983.36	3,442.34	4,130.81
Dengie	1,363.42	1,590.67	1,817.90	2,045.14	2,499.61	2,954.08	3,408.56	4,090.27
Goldhanger	1,344.14	1,568.17	1,792.19	2,016.22	2,464.27	2,912.31	3,360.36	4,032.43
Great Braxted	1,359.72	1,586.36	1,812.97	2,039.60	2,492.84	2,946.08	3,399.32	4,079.19
Great Totham	1,330.68	1,552.47	1,774.25	1,996.03	2,439.59	2,883.15	3,326.71	3,992.05
Hazeleigh	1,335.63	1,558.25	1,780.85	2,003.46	2,448.67	2,893.88	3,339.09	4,006.91
Heybridge	1,369.82	1,598.14	1,826.44	2,054.75	2,511.36	2,967.97	3,424.57	4,109.49
Heybridge Basin	1,405.35	1,639.59	1,873.81	2,108.04	2,576.49	3,044.94	3,513.39	4,216.07
Langford	1,367.31	1,595.21	1,823.09	2,050.98	2,506.75	2,962.52	3,418.29	4,101.95
Latchingdon	1,380.30	1,610.37	1,840.41	2,070.47	2,530.57	2,990.67	3,450.77	4,140.93
Little Braxted	1,360.64	1,587.42	1,814.19	2,040.97	2,494.52	2,948.06	3,401.61	4,081.93
Little Totham	1,351.58	1,576.85	1,802.11	2,027.38	2,477.91	2,928.43	3,378.96	4,054.75
Maldon	1,368.06	1,596.08	1,824.09	2,052.10	2,508.12	2,964.14	3,420.16	4,104.19
Mayland	1,367.44	1,595.37	1,823.27	2,051.18	2,506.99	2,962.81	3,418.62	4,102.35
Mundon	1,352.96	1,578.47	1,803.96	2,029.46	2,480.45	2,931.44	3,382.42	4,058.91
North Fambridge	1,354.05	1,579.74	1,805.41	2,031.09	2,482.44	2,933.79	3,385.14	4,062.17
Purleigh	1,375.55	1,604.82	1,834.08	2,063.34	2,521.86	2,980.37	3,438.89	4,126.67
Southminster	1,379.29	1,609.19	1,839.06	2,068.95	2,528.71	2,988.48	3,448.24	4,137.89
St. Lawrence	1,359.30	1,585.86	1,812.41	2,038.96	2,492.06	2,945.16	3,398.26	4,077.91
Steeple	1,360.73	1,587.53	1,814.32	2,041.11	2,494.69	2,948.26	3,401.84	4,082.21
Stow Maries	1,374.41	1,603.49	1,832.56	2,061.63	2,519.77	2,977.90	3,436.04	4,123.25
Tillingham	1,384.63	1,615.42	1,846.18	2,076.96	2,538.50	3,000.05	3,461.59	4,153.91
Tollesbury	1,393.23	1,625.45	1,857.65	2,089.86	2,554.27	3,018.68	3,483.09	4,179.71
Tolleshunt D'Arcy	1,355.48	1,581.40	1,807.31	2,033.23	2,485.06	2,936.88	3,388.71	4,066.45
Tolleshunt Knights	1,338.88	1,562.05	1,785.19	2,008.34	2,454.63	2,900.93	3,347.22	4,016.67
Tolleshunt Major	1,343.32	1,567.22	1,791.10	2,014.99	2,462.76	2,910.53	3,358.31	4,029.97
Ulting	1,359.64	1,586.26	1,812.86	2,039.47	2,492.68	2,945.89	3,399.11	4,078.93
Wickham Bishops	1,336.74	1,559.55	1,782.33	2,005.13	2,450.71	2,896.29	3,341.87	4,010.25
Woodham Mortimer	1,335.63	1,558.25	1,780.85	2,003.46	2,448.67	2,893.88	3,339.09	4,006.91
Woodham Walter	1,392.00	1,624.02	1,856.01	2,088.02	2,552.02	3,016.02	3,480.02	4,176.03

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REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

MEDIUM-TERM FINANCIAL STRATEGY 2023 / 24 TO 2025 / 26

1. PURPOSE OF THE REPORT

- 1.1 To present the revised Medium-Term Financial Strategy for 2023 / 24 to 2025 / 26 to the Council 22 February 2023.

2. RECOMMENDATION

That the updated Medium-Term Financial Strategy for 2023 / 24 to 2025 / 26 (as at 26 January 2023) at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Medium-Term Financial Strategy (MTFS) sets out how the Council will manage its revenue finances up to the 2024 / 25 financial year. The MTFS supports the delivery of the Council's objectives and priorities as set out in the Council's Corporate Plan.
- 3.2 This MTFS builds on the MTFS for 2022 / 23 to 2024 / 25 that was approved by the Council on 24 February 2022. The current MTFS now covers the financial years 2023 / 24 to 2025 / 26 and is at **APPENDIX 1**.
- 3.3 There remains a great level of uncertainty around the global economy, particularly with an ongoing pandemic, and the impact this will have on the Council's finances, especially Council Tax and Business Rates. Therefore, the MTFS will need to be regularly updated and kept under review.

4. MEDIUM TERM FINANCIAL STRATEGY 2023 / 24 TO 2025 / 26

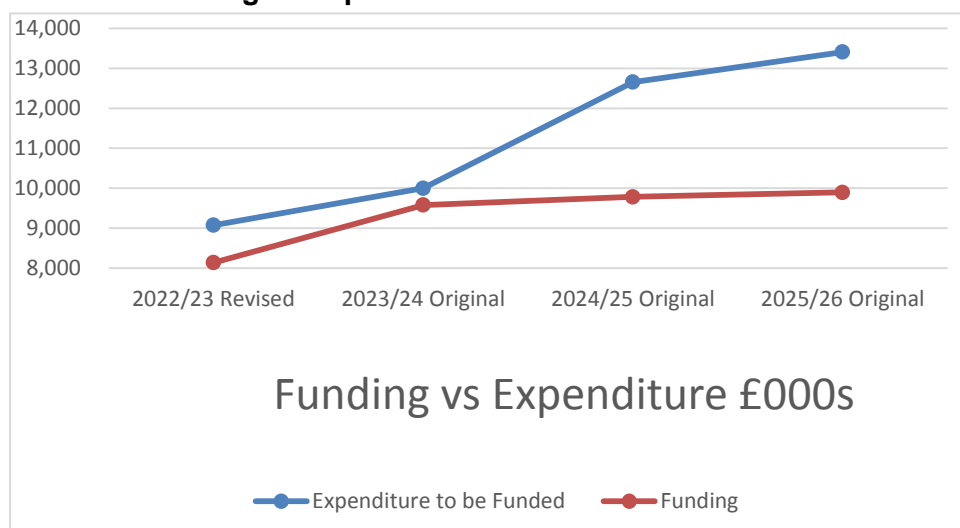
- 4.1 A review of budgets has been undertaken to identify changes required from the 2021/22 budget. The updated MTFS is attached at **APPENDIX 1** and a summary of the budget changes are provided in the following table.

Table 1 – MTFS Summary

Components	2022/23 Original £000	2022/23 Revised £000	2023/24 Original £000	2024/25 Original £000	2025/26 Original £000
Prior Year Exp to be Funded	12,422	13,736	14,581	16,434	17,089
Additional Inflation - including Salaries and Waste Contract	648	0	1,855	669	490
Contractual Pressures (Waste, Leisure and Audit)	268	0	416	400	0
2021/22 Revenue Commitments and Additional Reserve Funded Expenditure	-409	359	-359	0	0
Repairs, Renewals and Supplementary Estimates	-53	486	-353	0	0
Original Growth	444	0	56	-394	0
Increased Pension Service Costs	870	0	693	0	0
Savings and Increased Fees and Charges	-453	0	-455	-20	0
Cost of Services	13,736	14,581	16,434	17,089	17,579
Investment Income	-214	-214	-750	-660	-400
Forward Funding of Pension Fund Deficit	0	0	351	0	0
Statutory Adjustments	-3,200	-3,200	-3,893	-3,893	-3,893
Contribution to Reserves	520	520	0	120	120
Contribution from Reserves for Commitments and Drawdowns	0	-359	-1,040	0	0
Contribution from Reserves for Growth	-546	-546	-343	0	0
Contribution from Reserves for Collection Fund Deficit	-1,705	-1,705	-758	0	0
Expenditure to be Funded	8,591	9,077	10,001	12,656	13,406
Funding	8,139	8,139	9,580	9,784	9,899
Gap / Funded from General Fund	453	938	421	2,872	3,507

- 4.2 The summary shows higher expenditure this financial year due to approved in-year repairs, renewals and supplementary estimates. Improved investment income has mitigated this but a greater contribution from earmarked reserves is required to prevent a larger General Fund gap this financial year. In 2023 / 24 high inflation increases the budget significantly, however the removal of previous one-off growth items, new identified savings and a favourable provisional local government settlement for 2023 / 24, closes most of the funding gap. In 2024 / 25 inflation is offset by the end of the Local Development Plan (LDP) budget requirements. However, the LDP was a project funded from the New Homes Bonus (NHB) and Transformation reserves. Inflation is not, so creates a large budget deficit. Chart 1 below illustrates this below.

Chart 1 – Funding vs Expenditure



5. GROWTHS

- 5.1 During the budget review several budget growth items were identified as being required to meet service demand and carry out Council policy. These have been scrutinised by the Finance Working Group and the Strategy and Resources Committee. The specific details of these are available at **APPENDIX 2** and are summarised in the table below:

Table 2 – Growth Summary

	22/23 £000	23/24 £000	24/25 £000	Total £000
Funded from Annual Budgets:				
Head of Environment Services	81	81	81	243
HR Fixed Term Post	39	0	0	39
Customer Service Resource	28	28	28	84
Ezytreev Software	12	0	0	12
Changing Places Toilets	5	5	5	15
Members Training	3	3	3	9
Annual Budget Growth Total	168	117	117	402

6. RISKS TO THE MTFS

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

However, it is not appropriate to set aside large amounts of reserve against the possibility of this happening and that appropriate bond / Parent Company Guarantee have been built into large contracts.

- 6.3 It is important to recognise that with the introduction of the Business Rates Retention, there is a considerable degree of uncertainty in the forecast for business rates growth as much of it depends on external factors including the impact of successful appeals. The Council's own economic development policies can have an impact on business rates growth and therefore it is important that the planning services, economic development services and the business rates service have a co-ordinated approach to inward investment policies. It is important to ensure a high level of growth in the District, as any empty properties create a risk on the level of Business Rates income the Council will receive.
- 6.4 The current cost of living crisis driven by high inflation and increasing interest rates put a high degree of pressure on family and business budgets and this could affect households' and businesses' ability to pay Council Tax and National Non-Domestic Rates (NNDR) respectively. This places a risk on local taxation collection rates.
- 6.5 The large contracts such Waste and Leisure Centres are impacted by our economic environment. The footfall through gyms at the Blackwater and Dengie Hundred Leisure Centres have not recovered as hoped after the Coronavirus pandemic, being now impacted by the cost-of-living crisis, meaning very low profits now that only generate a fraction of income for the Council they did pre-pandemic. Also, the Waste contract relies on recycling tonnage and prices, which are also volatile post pandemic. Furthermore, the contract expires in January 2024, so the new contract will need to be negotiated. Only then will we know the real impact on the MTFS but this MTFS assumes Leisure Centre income will not improve on its current returns and net Waste returns will fall by £100k from 2023 / 24.

7. GENERAL FUND

- 7.1 The impact of the items shown in Table 1 along with current year budget pressures on the General Fund balance is as follows:

Table 4 – Projected General Fund Balance

	22/23	23/24	24/25	25/26
	£000	£000	£000	£000
Opening General Fund Balance	5,796	4,720	4,298	1,426
Budget Gap (Table 5)	-1,076*	-421	-2,872	-3,507
Closing General Fund Balance	4,720	4,298	1,426	-2,081

*This figure is taken from Table 5, which takes into account the current net budget pressure of £138k for 2022 / 23, as reported to the Strategy and Resources Committee on 10 November 2022, combined with the budgetary movements shown in Table 1.

Table 5 – Predicted General Fund Balance

	£000
Less 2022 / 23 MTFS Funding Gap	(452)
Less Supplementary Estimates	(486)
Revised 2022 / 23 Budget Gap (Table 1)	(938)
Less Service Variances	(381)

	£000
Plus Investment Income	104
Plus Local Tax Collection Improvement	139
Net Budget Pressure	(138)
Total Impact on General Fund Balance 2022 / 23	(1,076)

- 7.2 The projections in Table 4 show that the General Fund balances would fall below the recommended minimum of £2.6m by 2024 / 25 and would be fully depleted by 2025 / 26 if no action was taken to mitigate the position.
- 7.3 It must be emphasised that the current MTFS projections are unsustainable. The figures in Table 4 are based on a 'do nothing' scenario and assumptions. Therefore, actions will be required to address the budget gaps and develop a sustainability plan. Actions may include:
- (i) Closer working with partners - to address resilience and improve efficiency,
 - (ii) Commercial activity - projects are underway but no income has been included in the budget at this stage.
 - (iii) Service standards review - to ensure value for money.

8. CONCLUSION

- 8.1 Medium-Term financial planning is an important component of the Council's strategic planning framework. No more so than in the current uncertain economic climate due to the cost-of-living crisis and global affects from the ongoing war in Ukraine. Key financial decisions need to be set in the context of a plan that looks beyond the next financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are limited in what they can achieve.

9. IMPACT ON STRATEGIC THEMES

- 9.1 The MTFS provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost-effective services across the District. Through the effective development and delivery of the Council's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.

10. IMPLICATIONS

- (i) **Impact on Customers** – None arising directly from this report.
- (ii) **Impact on Equalities** – None arising directly from this report.
- (iii) **Impact on Risk** – The risks to the Council in respect of the available forecast resource envelope over the medium term are discussed at **APPENDIX 1**.
- (iv) **Impact on Resources (financial)** – The financial implications are set out in this report.
- (v) **Impact on Resources (human)** – None arising directly from this report.

- (vi) **Impact on the Environment** – None arising directly from this report.
- (vii) **Impact on Strengthening Communities** – Considered along with Council's priorities as part of the Budget Setting and MTFS processes.

Background Papers:

MTFS to the Council, 24 February 2022

Budgetary Control Report to the Strategy and Resources Committee, 10 November 2022.

Discretionary Fees and Charges Report to the Council, 15 December 2022.

Enquiries to: Lance Porteous, Lead Specialist Finance.

MALDON DISTRICT COUNCIL
MEDIUM TERM FINANCIAL STRATEGY
2023/24 TO 2025/26
(JANUARY 2023)



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1 INTRODUCTION

- 1.1 Medium term financial planning is an important component of the Council's strategic planning framework. Key financial decisions need to be set in the context of a plan that looks beyond the current financial year. Forward planning offers the opportunity to link service and financial planning, as decisions taken on an annual basis are limited in what they can achieve.
- 1.2 The Medium-Term Financial Strategy (MTFS) provides the foundation against which the Council will strive to deliver the best possible value for money in the provision of efficient and cost-effective services across the District. Through the effective development and delivery of the Council's financial and other resource strategies it seeks to build upon past achievements as well as provide clear direction to the attainment of the Council's longer-term goals.
- 1.3 The medium-term financial planning process is an established part of the budget setting and financial review processes. It sets out a forecast of the cost of continuing provision of existing levels of service and the resources that are likely to be available to the Council over the period. It identifies any shortfalls and sets out how this will be managed. This document is reviewed at least annually; regular review and update is essential to ensure the MTFS takes full account of any changes in the Council's aspirations, strategic and service delivery priorities, changes in government legislation, financial regulation and funding streams and the general socio/economic environment that the Council operates in.
- 1.4 This MTFS reviews how the Council will manage its revenue finances up to 2025 / 26 and covers a five-year capital programme. The MTFS supports the delivery of the Council's 32 outcomes as set out in the Council's Corporate Plan 2019-23 and delivered and measured through the three strategic themes of Place; Community; Prosperity.
- 1.5 Underpinning the Corporate Plan are the individual service plans and several other key strategies and plans as set out below. In each case, these set out the detail of how the Council will achieve its objectives and the relevant milestones that will measure progress under the thematic strategies of Place; Community; Prosperity.
 - Information Technology Strategy
 - Workforce Development Strategy
 - Procurement Strategy
 - Risk Management Strategy
 - Treasury Management Strategy
 - Investment Strategy
 - Capital Strategy

The base position for this MTFS is the current 2022 / 23 budget. The development of the 2022 / 23 budget took place within the context of a longer term strategic and resource planning process. It took account of the latest settlement data and the uncertain economic climate.

2 OBJECTIVES

2.1 The objectives of this updated Medium-Term Financial Strategy are:

- To ensure outcomes and priorities identified in the Corporate Plan inform the MTFS including importance, timing and financial implications, and reconsider them in the light of emergency measures required due to the pandemic
- To provide updated projections of spending, including spending pressures and income; and set expectations on council tax increases, over the next three years
- To provide projections for our investment in assets, (our capital expenditure) and its impact on general day to day revenue spending
- To test sensitivity of, and apply risk analysis, to projections.
- To provide a framework for consultation with the public and partners about our service priorities and resources allocated to them.

3 VISION FOR MALDON

3.1 The MTFS aims to support the Council's overall vision for the District:

"Sustainable Council – Prosperous Future."

4 LOCAL CONTEXT

4.1 The Maldon District covers some 138 square miles and has a resident population of some 66,200 (2021 UK Census). With one of the lowest population densities in Essex, the District offers a wide range of residential properties, from period country cottages to brand new executive homes.

5 Maldon is an attractive and predominantly rural district. It retains an unspoilt nature and its own special character, forged largely by the principal waterways of the Blackwater and Crouch estuaries. Much of the District's 60 miles of coastline of tidal salt marshes and mudflats is recognised as of international and national environmental significance and protected as such.

MALDON DISTRICT COUNCIL CORPORATE PLAN

- 5.1 The updated Corporate Plan 2021-23 identifies all local and many national priorities.
- 5.2 The Corporate Plan will be delivered through three thematic strategies – Place, Community and Prosperity. The three thematic strategies are underpinned by a focus on ‘Performance and Value’ with the aim of providing:
- excellent services and value for money; and
 - becoming a financially independent and sustainable Council in the future.
- 5.3 The aims of the thematic strategies are:
- Place:**
- A protected and improved environment for residents and visitors;
 - Sustainable growth and new infrastructure in the District
- Community:**
- Healthy, safe and vibrant communities
- Prosperity:**
- Local businesses are supported and new ones are attracted into the District
- 5.4 The three thematic strategies have outcomes and impacts that the Council is seeking to achieve over the period of the Corporate Plan.
- 5.5 Our greatest asset is our employees and we must have committed skilled and empowered employees to provide the best possible service standards to the residents of the District. The Council continues to keep its structure under review to ensure it is fit for purpose and able to deliver its priorities.
- 5.6 The MTFS therefore provides the resource strategy required to deliver the priorities and outcomes set out in the Corporate Plan through the three thematic strategies.

6 ECONOMIC OUTLOOK

- 6.1 Due to the Cost-of-Living crisis, the British Chamber of Commerce economic outlook, as released in the Forecasts for the UK Economy Report December 2022, is not a positive one. Forecast Economic Growth is shown in the table below.

Year	Economic Growth (GDP)	
	British Chamber of Commerce (December 2021)	British Chamber of Commerce (December 2022)
2022	4.2%	4.2%
2023	2.3%	-1.3%
2024	N/A	0.7%

- 6.2 However, UK individuals and businesses continue to feel the effects of the pandemic on supply chains which has led to soaring inflation. The change of forecasts for the Consumer Prices Index (CPI¹) are shown below:

Year	CPI (% change)	
	British Chamber of Commerce (December 2021)	British Chamber of Commerce (December 2022)
2022	5.2%	10.7%
2023	2.0%	5.0%
2024	N/A	1.5%

- 6.3 The BCC expects the UK economy to remain in recession for 5 quarters before an anaemic recovery in 2024, but inflation has likely peaked at 11%. It is important to note that the Council's major contracts are linked to CPI as an inflationary increase with others linked to RPI. It is therefore expected that the contractual inflation will see an increase in the council's costs in the medium term based on the forecasts.
- 6.4 Due to soaring inflation post Coronavirus, the Bank of England has increased its base rate progressively over the past 12 months from 0.1% to the current rate of 3.5% to counter it. The Council has no borrowing but a relatively large amount of Treasury Investments, so increasing interest rates are good news as they help to offset the large cost increases driven by inflation.

7 GENERAL FUND REVENUE BUDGET

Financial Context

¹ Chancellor's Spring Statement – March 2019

- 7.1 The development of the 2022/23 to 2025/26 Medium Term Financial Strategy took place at a time which continued to be one of the most challenging periods for Local Government. This MTFS for the period 2023/24 to 2025/26 has since become even more challenging with the onset of the cost-of-living crisis and high inflation.
- 7.2 Local government is transitioning away from a world where councils were dependent on central government grants and towards greater self-sufficiency, although support through the pandemic has certainly bucked that trend.

The 2023/24 Provision Local Government Financial Settlement was published on 21 December 2022. The result was that Maldon District Council will not receive any Revenue Support Grant but its Business Rates Pool (consisting of the Essex Councils) will retain 50% of Business Rates collected. The final 2023/24 settlement is not expected until February 2023.

Risks and Opportunities

- 7.3 This section highlights the risks and opportunities facing the Council in the medium term.
- Demographic
 - External Income
 - Inflation
 - Service Demand
 - Business Rates Retention
 - Other Developments
 - Fairer Funding Review

Demographic

- 7.4 Demographic factors affect the Council's planning in several ways:
- Changes in the number of households affect the tax base for Council Tax purposes, and hence the total amount which will be raised from this source
 - The characteristics of both population and households can help identify specific implications for the type and nature of many services provided by the Council
 - All the above factors affect the level of demand for, and use of, services provided by the Council
- 7.5 The total population in Maldon, according to the 2014 based ONS Sub-national population projections, is projected to grow by 12%, 7,000 more people by 2039.

External Income

- 7.6 The Council relies on several external income sources. During the past few years, the economic downturn had an adverse impact on some income streams.

Several income streams to the council are at risk whereby they can be reducing year on year or subject to significant variances between years. The reasons for these are mainly outside the direct control of the Council such as macro-economic and/or seasonal conditions. These income streams are principally from refuse and recycling, development control, building control, land charges, leisure and car parking related such as from the Splash Park and Promenade Park.

The garden waste collection service is now a significant source of income to the Council which goes to support the costs of providing the overall waste collection function, the costs of which are increasing with the growth of housing in the District.

Historically a key income stream for the council has been the income generated from investment of cash balances. The low interest rate has seen a large reduction in this income in recent years. Every 0.5% of movement in interest rates is equivalent to approximately £125k in income; however, the actual interest earned is also dependant on the level of free cash flow balances during the year.

The Council has a policy to maximise income from existing and new fees and charges where possible and practicable.

The recent social distancing measures imposed by Central Government and reduction of base interest rates by the Bank of England have had a significant adverse effect on these external income sources.

Inflation

- 7.7 The financial impact of a 1.0% movement in pay inflation represents around a £0.102m change in the general fund employee budget. A 2.5% uplift was built into the 2022 / 23 pay inflation. This ended up being 5.25% after the pay award was confirmed by the National Joint Council. In the meantime, there has been an increase in the cost of living and pay inflation meaning the Council is forecasting a further 5.0% increase in employee salaries for 2023 / 24. However, this is estimated to return to 2.5% for 2024 / 25 and 2.6% for 2025 / 26.

- 7.7 For the 2023 / 24 budget setting process, the contract prices have been uplifted by appropriate indices as stated in the conditions of the contracts. The financial impact of a 1% movement in contractual inflation is £0.076m.

No inflationary increase has been applied to the general services budget, except known specific items such as utilities and IT costs.

- 7.8 For future years, the projection assumes an overall averaged inflation rate of around 12.3% for 2022 / 23 based on RPI and 2.5% for 2024 / 25 and 2.6% for 2025 / 26.

Service demand

- 7.9 Under the current economic climate the pressure on the Council to deliver services within a constrained financial base remains high compared to historic levels. There is also an imposed demand by Central Government on local authorities to take a major part in revitalising the local economy whilst, at the

same time, bearing a significant part of the government's overall austerity measures, via reduced funding.

- 7.10 While there has been a recent massive fall in UK growth, economic forecasts show a strong recovery, although the new variants could always slow this recovery significantly. However, the increase in the demand on our services, coupled with the loss of external income, will restrict the Council's ability to make radical improvements to our discretionary services.

2023/24 Provisional Local Government Finance Settlement

- 7.11 The provisional 2023 / 24 LGFS was announced on 21 December 2022. The table below shows Maldon's final settlement for 2023 / 24. The final settlement for 2023 / 24 and future years is expected to be announced in February 2023.

Local Government Financial Settlement 2017/18 to 2023/24	2019/20 Final LGFS £m	2020/21 Final LGFS £m	2021/22 Final LGFS £m	2022/23 Provisio n-al LGFS £m	2023/24 Provisio n-al LGFS £m
Settlement Funding Assessment of which:	1.508	1.532	1.532	1.532	1.670
Revenue Support Grant (RSG)	-	-	-	-	-
Baseline Funding Level (Business Rates)	1.508	1.532	1.532	1.532	1.670
Tariff/Top-up Adjustment	-	-	-	-	-
Annual Change (%)	2.3%	1.6%	0.0%	0.0%	9.0%
Cum. Change from 17/18 (%)	-23.2%	-22.0%	-22.0%	-22.0%	-15.0%
New Homes Bonus – MHCLG	0.832	0.898	0.930	0.961	0.474
Compensation for under indexing the Business Rates multiplier	0.049	0.061	0.080	0.126	0.271
Rural Services Delivery Grant	0.031	0.031	0.032	0.032	0.032
Funding Guarantee	-	-	-	-	0.607
Lower Tier Services Grant	-	-	0.065	0.069	-
Services Grant	-	-	-	0.106	0.060
Council Tax Requirement excluding parish precepts (incl. base growth and levels increasing by CPI)	4.809	4.982	5.293	5.361	5.659
Potential additional Council Tax from £5 referendum principle for all Districts	0.035	0.062	0.000	0.000	0.000
Total Core Spending Power	7.264	7.566	7.932	8.187	8.773
Change since 2019/20 (£ million)					1.509
Change since 2019/20 (% change)					20.8%

- 7.14 Over the period of the previous Spending Review the government used a new methodology to determine authorities' Revenue Support Grant (RSG) allocations. Rather than applying the same percentage cut to all authorities, the new approach considers individual authorities' council tax raising ability and the type of services they provide. The change in methodology has led to a fundamental shift of resources from authorities such as Maldon.

New Homes Bonus Scheme

- 7.15 The New Homes Bonus Scheme (NHBS) was introduced in 2011/12 to encourage local authorities to facilitate housing growth. For every additional property built or brought back into use, the government match funds the additional council tax, with an additional amount for affordable homes, for the following six years. The grant is not ring-fenced and is split 80% to the lower tier and 20% to the upper tier. Previous changes to the NHBS were the introduction of a baseline housing growth of 0.4% before NHBS would be payable and a reduction in duration of legacy payments from the six years to five years and to four years. The government completed a consultation on the future of the NHB in 2021/22. The Council received its last legacy payments for previous years of £0.198m in 2022 / 23 and now only receives one off annual NHB payments. In the 2023 / 24 Provisional LGFS the government has announced a one-off NHB payment of £0.474. In 2020 / 21 the Council decided to support its 2021 / 22 to 2023 / 24 Local Development Scheme expenditure from the NHB. Therefore, there is no longer any NHBS reserve.

Pension

- 7.17 Maldon District Council employees are eligible to be members of the Local Government Pension Scheme (LGPS), for which the Government sets the terms and conditions nationally. This is a statutory condition of employment available to all local government employees. Essex County Council is the administering authority of the LGPS in Essex. In accordance with statutory requirements the Essex Pension Fund, of which this Council is a member, was actuarially valued as at 31 March 2022 as part of the triennial valuation cycle.
- 7.18 The 2022 Valuation shows that there has been a decrease in the Council's deficit position by 82% from £5.32m to £0.94m. This means that the funding level of the Council's element of the Fund will have increased from 90.2% in 2019 to 98.4% in 2022. Funding levels are taken as the ratio of assets to liabilities. In general, for the 2022 valuation, funding levels have increased due to:
- Salary increases being lower than expected
 - Investment returns have been better than expected
 - Deficit contributions paid by the Council to the Fund

The recovery period for the deficit was reduced from 12 years, set at the 2019 Valuation, to 9 years or less in the 2022 Valuation, depending on the individual circumstances of the Council.

- 7.19 The 2022 Valuation showed an increase in the employer's ongoing contribution from 19.9% of pensionable pay to 20.9% of pensionable pay (up £78k). Whilst the recovery of deficits covers up to a date, an ongoing contribution rate is also needed to obtain the level of contributions required to meet the cost of new pension benefits and this is usually based on the same assumptions as are used for the deficit.
- 7.20 Automatic Enrolment has been established by the Government as a requirement for employers to provide a pension scheme for employees. The

Local Government Pension Scheme (LGPS) is a qualifying scheme for the purposes of Automatic Enrolment within the terms set out by the Pension Regulator.

7.21 The Pensions Act 2008 includes a duty on employers to automatically enrol their eligible jobholders into a workplace pension scheme that meets certain requirements and provide a minimum employer contribution. From early 2014, the Council must have:

- Enrolled any new employees into the qualifying approved scheme;
- Enrolled any employees who are not a member of the scheme but reach the age of 22; and
- Enrolled any employee who is passing the rate of salary to £10,000 per annum for the first time

7.22 It should be noted the employee can still choose to opt out of the scheme, but the Council must not mention any option of how to opt out of the scheme during enrolment as it could be seen as an inducement not to join the scheme and could expose the council to a fine from the Pensions Regulator.

Universal Credits

7.23 Universal Credit (UC) was rolled out through the Welfare Reform Bill and was the biggest shake up of the system for 60 years. UC is an integrated working-age credit that will provide a basic allowance with additional elements for children, disability, housing and caring. It will support people both in and out of work, replacing Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance. For local authorities, this means the link between Housing Benefit and Council Tax Support will be broken for working age customers and that UC will be administered by the Department of Work and Pensions.

- The digital roll out of Universal Credits for Maldon, using the newer software started in December 2018 for new claims only and migration to UC has been ongoing since.
- The Council retains responsibility for Local Council Tax Support, as well as pensioner claims, and some working age claims, even after a full transfer of claims to UC. As such, the Council will retain 70-80% of pre-UC workload even after all qualifying claimants have been migrated to UC.

7.24 The transition to UC has had significant implications for local Council and its systems. There will continue to be a reduction in the Housing Benefit Administration Grant going forward, but this may not be proportional to the reduction in the workload or staffing. The financial impact of Universal Credits continues to be monitored on an ongoing basis.

Land Charges (transfer of responsibility to Land Registry)

7.24 The Infrastructure Act 2015 provided for the transfer of some of the Land Charges responsibilities from local authorities to the Land Registry. The implications for the Council are:

- Loss of local land charges income
- Incurring on-going costs for the supply of standardised accurate information related to local land charges to Land Registry to keep the register updated.
- Legal liability will rest with Local Authorities for any inaccurate information provided
- Transfer requires digital and business transformation
- Local authorities will continue to provide Con 29 searches

7.25 This project got underway during 2022 / 23 after MDC made preparations by putting in a growth bid of £50,000 for 2021 / 22 to fund this.

7.26 The financial implication on the land charges transfer continues to be monitored on an ongoing basis.

2023 / 24 General Fund Budget

7.27 As part of the financial planning process, Members examine information provided by officers relating to the level of existing resources. All budget options are considered in the context of current service performance and priorities. Also, all the growth, savings and capital bids have gone through a challenge process, including being reviewed by the Finance Working Group.

8 RISK MANAGEMENT

8.1 Risk Management is a key feature of the Council's financial planning process.

8.2 The Council is very aware of the need for effective risk management and considers that the assessment and minimisation of all types of risk to be vital. It has an adopted Risk Management Strategy in place, and the financial risks to the Council are assessed in the context of the Council's overall approach to risk management.

8.3 To mitigate risk the Council regularly monitors its budgets. The performance management system is used by the Council to identify, monitor and reports on risks. Regular reporting of the Corporate Risks, financial and non-financial performance occurs on at least a quarterly basis to the Corporate Leadership Team and the Performance, Governance and Audit Committee, and is programmed in the annual timetable.

8.4 The table below summarises the financial implications if assumptions made in the MTFS change in the future. This gives some indications to the kind of risks which need to be allowed for in considering the level of reserves in future years.

Estimated Financial Impact

Sensitivity Scenario	2023/24	2024/25	2024/25
	£m	£m	£m
Inflation - Pay award 1% higher than assumed	0.102	0.103	0.104
Other Inflation - 1% higher than assumed	0.041	0.041	0.41
Average investment interest rate - 0.5% lower than assumed (ave £25m invested)	-0.125	-0.126	-0.127

Council Tax Collection - 1% lower than assumed	-0.056	-0.057	-0.058
NNDR Collection - 1% lower than assumed	-0.036	-0.036	-0.036
Net Operating Expenditure - 1% overspent	0.163	0.165	0.167

9 COUNCIL TAX

Council Tax

- 9.1 It is important to note that the Council has limited income generated from council tax. As shown in paragraph 8.4, for every 1% increase in the average Band D council tax; an additional £0.056m of income is raised. The MTFS allows an increase in the Basic Amount of Council Tax of £6.35 (2.99%) for 2023 / 24 and subsequently 1.99% for the rest of the MTFS period in accordance with current District Council Tax increase allowance principles.

Tax base for Council tax setting

- 9.2 The tax base for council tax setting assumed in the MTFS is shown below:

Year	2022/23	2023/24	2024/25	2025/26
	Calculated	Calculated	Projected	Projected
Band D Equivalents	25,524.3	25,892.3	26,407.6	26,933.1

- 9.3 Using past trends together with information on already approved and likely future planning applications, projected housing growth has been used to forecast the council tax-base for the period of the MTFS. The tax-base forecast has been arrived at by considering the completion dates of the strategic housing developments in the District.
- 9.4 A copy of the medium-term financial forecast on the general fund is attached at Appendix A.

10 VALUE FOR MONEY AND EFFICIENCY

- 10.1 Value for Money (VFM) is an assessment of whether we obtain the maximum benefit from the goods and services we both acquire and provide, within the resources available to achieve it. This assessment includes considerations about suitability, quality, whole life costs and the relationship between economy, efficiency and effectiveness.
- 10.2 Value for money remains an integral part of the external audit opinion. The general feedback was that the council had consolidated previous improvements and demonstrates good value for money across services.
- 10.3 A key part of the Council's ethos is its focus on achieving efficiencies. This is a main driver during the budget and planning process; ensuring resources are directed in the appropriate areas and is embedded across the whole authority. Services are monitored and reviewed for efficiencies with a view to identify where savings and or productivity gains can be made. The Council is

committed to delivering efficiencies to drive costs down and maintain or improve services.

11 INCOME GENERATION

Forecasting Income

11.1 This section covers the income from fees and charges.

Policy on Fees and Charges

11.2 The Council has looked to maximise the potential from fees and charges. A significant proportion of its income comes from fees and charges and a balance must be struck between meeting statutory responsibilities and the subsidy on providing discretionary services. The Council takes the view that raising charges to recover part or all the costs of providing is preferable to removing the service completely. Charges are set after considering local circumstances and the user's ability to pay. The Council's fees and charges will normally increase at least in line with inflation or, where appropriate statutory defined, fees and charges increase. Increased or reduced income due to volume changes, or charge proposals above or below inflation, are addressed through the budget setting process.

11.3 The full list of fees and charges is shown in the Discretionary Fees and Charges 2023 / 24 report to Strategy & Resources Committee on 10 November 2022.

11.4 The Council's longer-term policy has three fundamental principles:

- Services should raise income wherever there is a power or duty to do so.
- The income raised should cover the full costs of providing the service including all overheads.
- Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.

11.5 When the Council does not raise income in areas where it has the power to do so, it foregoes the opportunity to raise money to improve services and leaves less money available for spending on high priority services.

A decision to forego income or to subsidise a service is a policy decision about resources as significant as any decision made in the budget setting process especially since the Council is expected to become more self-sufficient. The cost will eventually fall on the council taxpayer if the service is to be protected to any extent.

11.6 Although volumes of transactions incurring Fees and Charges are affected by Covid 19, the policies themselves are not anticipated to be altered. The Fees and Charges Policy is reported to Strategy & Resources Committee and Council separately to the MTFS.

Income and Debt Management

- 11.7 The Council has a good history of debt collection. The Council continues to build on this to maximise income received and minimise income written off. Monitoring information has been enhanced to provide information on evaluating the effectiveness of debt recovery actions, associated costs, and the cost of not recovering debt promptly.

12 USE OF RESERVES

- 12.1 The minimum General Fund Reserve is set at £2.6m. A minimum level is intended to allow sufficient resources to respond to events such as post-Coronavirus recovery and the new cost-of-living crisis, however we still aim to maintain this minimum reserve as far as possible.
- 12.2 Risks to the Council's financial position could derive potentially from a budget overspend due to higher than budgeted expenditure or lower than budgeted income or a combination of both, loss of investment income, contractual/legislative failure or challenging/emergency events. Historically, the Council has had a very good record of outturn financial position being within budget and of predicting investment income well so hasn't had to make additional significant provision. However, since Covid-19 and now with record inflation, the economic environment has brought about high levels of emergency response, soaring costs and lost income for the Council, which has and continues to test its reserves where Central Government do not reimburse MDC for its losses. The Reserves Table in paragraph 12.4 shows that the General Fund Reserve should not fall below the minimum level before 2024-25 without the use of earmarked reserves or additional government funding.
- 12.3 Equally, it is important that the use of reserves is not increasing year on year, creating an unsustainable future problem. Normally, it is a Council goal to meet the budget gap by making savings.
- 12.4 A summary of the proposed use of reserves is shown in the table below and is based on a budget projection that includes budget pressures, aspects such as inflation, further salary increase, pension fund contributions and savings identified.

Predicted General Fund Balance Movement	Revised 2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Balance b/f				
General Fund Reserves	5,796	4,720	4,298	1,426
Earmarked Reserves	7,439	5,349	3,208	3,328
Total	13,235	10,069	7,506	4,754
Projected Movement				

General Fund Reserves	-1,076	-421	-2,872	-3,507
Earmarked Reserves	-2,090	-2,141	120	120
Total	-3,166	-2,562	-2,752	-3,387
Balance c/f				
General Fund Reserves	4,720	4,298	1,426	-2,081
Earmarked Reserves	5,349	3,208	3,328	3,448
Total	10,069	7,506	4,754	1,367

13 CAPITAL

Capital spend and funding

13.1 The Council's Capital Programme is agreed on an annual basis and serves the following purposes:

- It sets out how capital projects contribute to the achievement of the Council's corporate objectives.
- It establishes the criteria for the allocation of capital resources.
 - It provides a framework for the administration of capital projects and monitoring of outcomes.

13.2 It is important to note that all capital investment and disposal decisions have been made with reference to the strategic objectives.

13.3 The Council's capital programme has in general always been funded using capital receipts, external contributions or from capital grants and the current five-year capital programme is underpinned mainly by capital receipts.

13.4 The programmes for 2023 / 24 to 2027 / 28 have been set in detail, any schemes above this level would need to seek alternate external funds or new capital receipts from the sale of assets. However, it should be noted that the diminishing levels of capital receipts in future years would warrant a comprehensive review of the way the capital programme is supported in the long term. The indicative five-year capital programme as shown would cost the Capital Receipts Reserve a total of £0.711m. The Capital Receipts Reserve will be £1.152m from 1 April 2023 meaning capital receipts are sufficient for the capital programme to continue beyond 31 March 2028, unless the programme is increased. It should be noted that the capital programme for 2023 / 24 to 2027 / 28 has been developed by Officers and bids for asset acquisitions are then considered by the Strategy & Resources Committee for recommendation to Council. This is reviewed annually so the use of capital receipts will change over the 5-year period and more may be required sooner.

- 13.5 Although the Capital Projects report is a separate report to Strategy & Resources Committee, a summary of the programme and funding is given at Appendix B.

Revenue implications of capital programme

- 13.6 The key driver for the Council's approach to capital expenditure is revenue affordability.
- 13.7 Most Capital Projects have financial implications on the annual Revenue Budget. The revenue implications can take a variety of forms and they include:
- Capital financing costs
 - Loss of investment income
 - Annual non-capital financing costs, e.g.
 - Salaries
 - Rent
 - Rates
 - Energy costs
 - On-going maintenance costs
 - Income generated from the scheme or project
- 13.8 The revenue implications of the previously approved capital programme have been built into this MTFS. For the proposed future capital programme, there are no revenue implications for 2023 / 24 and any revenue implications beyond that will be built in upon approval.
- 13.9 However, new maintenance issues frequently get identified relating to the existing capital assets. These are known as Repairs and Renewals, some of which are essential to avoid service failure and others are to improve service levels. Expenditure on these is expected to be contained within the existing £0.128m annual revenue budget.

Members need to be aware that there is currently also £177k in the repairs and renewals earmarked reserves. This would allow the reserves to cover any emergency repairs and renewals that may emerge.

14 TREASURY MANAGEMENT LINKS WITH FINANCIAL STRATEGY

- 14.1 The Council will continue to invest in accordance with the approved Treasury Management Strategy and will plan any consideration of borrowing closely through the MTFS and five-year Capital Budget.
- 14.2 Investment income is used to support the budgets of the authority and movements in interest rates can result in significant changes. Since December 2021, the Bank of England has increased its base rate from 0.1% to the current level of 3.5% to address record high inflation. The Council is debt free, so interest rates do not affect its level of expenditure. However, it

improves MDC's investment income significantly compared with the last couple of years.

15 EQUALITY IMPACT ASSESSMENTS (EIA)

- 15.1 The council is committed to ensuring equality and diversity issues are given proper consideration. Equality Impact Assessments form an important part of our decision making to enable us to assess the impact of decisions on our residents, stakeholders and customers. Where the impact is high mitigation plans can be developed to reduce that impact of decisions. These are completed in accordance with national guidance and best practice.

16 CONCLUSION

- 16.1 The MTFS should be considered in the context of the following issues:
- The impact of the cost-of-living crisis on inflationary costs and local taxation collection. Most government and local measures are temporary.
 - The reductions to local government funding over the past decade and uncertainty around further reductions in the near future.
 - The Council's current and future budget gaps, despite historical satisfactory financial strength as shown by the General Fund reserves, robust financial management and excellent track record in achieving efficiency savings.
 - That challenging decisions will still need to be made to safeguard frontline services and return to sustainable balanced budgets together with an adequate level of General Fund reserves.
 - The possibility that Usable Capital Receipts Reserve will be fully utilised over the MTFS period, bearing in mind the comments in paragraph 13.4 above.
- 16.2 The financial position over the medium term is shown in Appendix A. This also shows that the level of General Fund un-ringfenced reserves is expected to fall below the minimum level of balance of £2.6m over the medium term to 31 March 2026. This needs to be considered in the context that for 2023 / 24 – 2025 / 26 budget estimates have been constructed with great economic uncertainty, high level assumptions and the detailed work will be undertaken in line with the Council's budget cycle timetable for those years and taking into account the further government grants announced at the time.

List of Appendices

Appendix A sets out medium term projections for the General Fund (below)
 Appendix B sets out the medium-term projections for Capital (below)
 Appendix C shows the Policy on reserves and balances (below)
 APPENDIX 2 shows the a of proposed Budget Growth items 2023 / 24 to 2025 / 26 (separate document)

Appendix A - Medium Term Financial Strategy 2023 / 24 – 2025 / 26

	2023/24 £000	2024/25 £000	2025/26 £000
Prior Year Net Expenditure Before Reserves	14,581	16,434	17,089
<i>Operational Service Pressures:</i>			
Staff Inflation	1,111	336	349
Non-Staff inflation	744	333	141
Contractual Pressures	416	400	0
Car Parking Machine Transaction Fees	37	0	0
Surplus from Council Tax Sharing Agreement	72	0	0
Pressures Contingency	150	0	0
<i>Growth Items:</i>			
Reversal of Non-Recurring Prior Year Growth	-569	0	0
Head of Environment Services	81	0	0
HR Fixed Term Post	39	-39	0
Customer Service resource	28	0	0
Ezytreev Software	12	-12	0
Member's Training	3	0	0
<i>Projects Funded from Earmarked Reserves:</i>			
Reversal of Prior Year Non-Recurring Reserve Funding	-359	0	0
Completion of Local Development Scheme	0	-9	0
Completion of LDP Review	0	-334	0
<i>Savings:</i>			
Reduce use of temporary staff	-14	0	0
Budget underspends	-4	0	0
Rental of Office Space	-18	0	0
Office car park charges	-1	0	0
Elections Resources	-26	-20	0
Grantfinder Subscription	-5	0	0
Vacant Posts	-50	0	0
Budget reductions	-28	0	0
Recycling income	-150	0	0
Card payment fees	-6	0	0
Temporary Staffing	-18	0	0

Government Audit Grant	-15	0	0
Pest Control	-12	0	0
Performance & Governance	-8	0	0
Highways	-4	0	0
Brickhouse Farm	-30	0	0
<i>Fees & Charges Inflationary Increases:</i>			
Pest control	-3	0	0
Cemeteries	-14	0	0
Town centre car parks	-106	0	0
Prom	-53	0	0
Building control	-25	0	0
Hackney carriages	-4	0	0
Licences	-7	0	0
Rivers	-4	0	0
<i>Non-Operational Service Pressures:</i>			
Increased Pension Service Costs	693	0	0
Net Cost of Services	16,434	17,089	17,579
Investment Income	-750	-660	-400
Pension Fund Deficit Contribution	351	0	0
Statutory Adjustments	-3,893	-3,893	-3,893
Net Expenditure Before Reserves	12,142	12,538	13,286
Contributions to/(from) Earmarked Reserves	-2,141	120	120
Expenditure to Be Funded	10,001	12,656	13,406
Funding			
New Homes Bonus	-474	-474	-474
Rural Services Delivery Grant	-32	-32	-32
Compensation for NNDR under-indexing	-271	-271	-271
Services Grant	-60	0	0
Renewable Energy	-746	-746	-746
Funding Guarantee	-607	0	0
Business Rates Baseline Funding	-683	-683	-683
Business Rates Growth incl S31	-2,050	-2,050	-2,050
Business Rates levy/benefit	250	250	250
CTAX and NDR collection fund (surplus) / deficit	758	0	0
Estimated Yield from Council Tax	-5,664	-5,776	-5,891

Total Funding	-9,579	-9,784	-9,899
Budget Gap	421	2,872	3,507

Appendix B – Capital Programme & Capital Receipts Reserve

Capital Programme 2023/24 - 2027/28					
Project Title	Original	Original	Original	Original	Original
	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000
Vehicle & Plant Replacement					
Parks Vehicle - Rolling replacement programme	89	22	22	22	22
Information & Communication Technology					
PC and Printer Replacement Programme	47	47	47	47	47
Maldon Promenade					
New accessible play site	100				
New Galleon in the Valley	226				
Riverside Park					
Skate Park Equipment and Surface	140				
Play site equipment	45				
Sport					
Replacement and update to 5G Carpet - AGP Plume school		80			
Housing					
Mandatory Disabled Facilities Grants	539	420	420	420	420
Total Capital Programme	1,186	569	489	489	489
Funding					
Capital Receipts Applied	355	149	69	69	69
s.106 Funded	292	0	0	0	0
Government Grant	539	420	420	420	420
Total Funding	1,186	569	489	489	489

Capital Receipts Reserves Movements	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000

Opening Balance	1,152	797	648	579	510
Capital Receipts Utilised	-355	-149	-69	-69	-69
Closing Balance	797	648	579	510	441

Appendix C – Policy on Reserves and Balances

Purpose

A Policy for Reserve and Balances represents good financial management and should be reviewed annually.

Application

The general principles set out in this Reserves and Balances Policy apply to the General Fund for Maldon District Council. It applies to reserves only and not provisions.

The Existing Legislative/Regulatory Framework

The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

The Local Government Finance Act 1992 and Local Government Act 2003 set out that a range of safeguards to mitigate against local authorities over-committing themselves financially. These include:

- the balanced budget requirement
- Chief Finance Officers' duty to report robustness of estimates and adequacy of reserves when considering the budget requirement.
- Requirement for local authority to make arrangements for proper administration of their financial affairs and that the Chief Finance Officer is that responsible person (section 151 duties)
- the requirements of the prudential code.
- the auditor will consider whether audited bodies have established adequate arrangements to ensure that their financial position is soundly based.

Generally, the balanced budget requirement is sufficient discipline for the majority of local authorities. This requirement is reinforced by section 114 of the Local Government Finance Act 1988 which requires the Chief Finance Officer in England and Wales to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year. The issue of a section 114 notice by the Chief Finance officer cannot be taken lightly and has serious operational implications.

The prudential code requires chief finance officers to have full regard to affordability when making recommendations about future capital programmes.

Guidance on specific levels of reserves and balances is not given in statute or by CIPFA (the recognised accountancy body for local government finance). There is no statutory minimum level of reserves. It is up to local authorities themselves to set their own level of reserves and balances on the advice of the Chief Finance Officer.

The Role of the Section 151 Officer

Within the existing statutory and regulatory framework, it is the responsibility of Section 151 Officer to advise the Council about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use.

The Council then, acting on and giving due regard to the advice of the Section 151 Officer must make its own judgements on the level of reserves and balances taking into account all the relevant local circumstances. These include the operational and financial risks, and the arrangements in place to manage them, including adequate and effective systems of internal control. The duties of the Chief Finance Officer in relation to the level of reserves are covered by the legislative framework described in 3 above. Under the Local Government Act 2003, the Chief Finance Officer must report to the Council on the adequacy of reserves (section 27) and reserve transactions must be taken account of within the required budget monitoring arrangements (section 28).

Types of Reserves

Reserves can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The Council also holds other reserves that arise out of the interaction of legislation and proper accounting practice. These reserves are not resource backed and cannot be used for other purposes include:

- a Pensions Reserve (required under IAS19). This is a specific accounting mechanism used to recognise the Council's share of pension fund liabilities in its balance sheet. As this is a reserve which arises from an accounting standard it is not available to finance Council expenditure.
- a Revaluation Reserve – this records unrealised gains in the value of fixed assets.
- a Capital Adjustment Account – this is a specific accounting mechanism used to reconcile different rates at which assets are depreciated under proper accounting practice.

For each earmarked reserve held by the Council there should be a clear protocol setting out:

- the reason for/purpose of the reserve
- how and when the reserve can be used
- procedures for the reserve's management and control
- a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

This Reserves and Balances Policy ensures that when establishing reserves, Maldon District Council complies with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and the need to distinguish between reserves and provisions.

Policy and Principles to Assess the Adequacy of Reserves

The principles used by the Chief Finance Officer to assess the adequacy of unallocated general reserves when setting the budget, ensure that account is taken of the strategic, operational and financial risks facing the authority.

Setting the level of reserves is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a year. This is carried out as part of the four-year Service and Resource Planning Process. Account is taken of the key financial assumptions underpinning the budget alongside a consideration of the authority's financial management arrangements. In addition to the cash flow requirements of the authority the following factors are considered:

- The treatment of inflation and interest rates
- Estimates of the level and timing of capital receipts
- The treatment of demand led pressures
- The treatment of planned efficiency savings / productivity gains
- The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments
- The availability of other funds to deal with major contingencies and the adequacy of provisions.
- The economic situation, unforeseen events etc.
- The risks identified by the authority as part of its risk management arrangements

The Council holds two types of reserves

- General non-earmarked reserves (the Council's General Fund Balances)
- Earmarked reserves held for specific purposes

It is the current policy of Maldon District Council for the *General Fund reserves* (the General Fund Balances) to be held at a level of, at least, £2.6m. This is reviewed at

least annually, during the setting of the budget. Factors which are considered during the review include; the level of balances as a percentage of the net revenue requirement, budget management and monitoring procedures, risk levels and financial projections for future years.

Reserves can be created or increased to ensure that the Service and Resource Planning Process takes account of any need to increase due to factors which may arise and to fully account for these factors.

In addition, the regular budget monitoring process carried out by the Council throughout the year will report on any changes in the level of balances or reserves.

The Reserves and Balances Policy is set in the context of the authority's Medium-Term Financial Strategy and does not focus exclusively on short-term considerations. Balancing the annual budget by drawing on general reserves may be viewed as a legitimate short-term option. However, where reserves are to be deployed to finance recurrent expenditure this will be made explicit. Advice will be given by the Chief Finance Officer on the adequacy of reserves over the lifetime of the medium-term financial projections. This is addressed in the Medium-Term Financial Strategy.

A New Reporting Framework

The Chief Finance Officer has a fiduciary duty to local tax-payers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds. Compliance with this Reserves and Balances Policy assists in allowing the Chief Finance Officer to be satisfied that there is proper stewardship of public funds. The level and utilisation of reserves is determined formally by the Council at its meetings to approve the annual budget and the final accounts. These decisions are informed by the advice and judgement of the Chief Finance Officer.

The Reporting Policy for Maldon District Council is:

- The Medium-Term Financial Strategy report to the Council includes a statement showing the proposed use of, or contribution to, general and earmarked reserves for the year ahead. Reference should be made as to the extent to which such reserves are to be used to finance recurrent expenditure
- The budget report itself includes a statement from the Chief Finance Officer on the adequacy of reserves in respect of the forthcoming financial year and the authority's medium-term financial strategy.
- The Councils' annual statement of accounts includes a schedule of all reserves in the balance sheet, showing opening balance, net movement in year and year-end balance. Notes to individual reserves are given in the accounts and significant reserve movements are explained in the Chief Finance Officer's foreword to the accounts and the covering report to Council which accompanies the presentation of the accounts.
- The regular in-year Budget Monitoring reports to Committee include details of any transactions affecting the Council's reserves.

Good Governance

It is important that local authority councillors take responsibility for ensuring the adequacy of reserves and provisions when they set the budget. This will be subject to the advice of the Chief Finance Officer and the arrangements for reviewing and reporting on the level of reserves and balances as set out above.

Directorate	Title of the proposal	Full Description of the proposal	Growth 23/24 £000	Growth 24/25 £000	Growth 25/26 £000	Ongoing /One Off	Staffing implications FTE (-)	Justification for Proposal Why is the growth required? Can it be funded externally by external grant or other partner organisations?
Service Delivery	Ezytreev Software	MDC currently use an out of date version of the software and the new version is now cloud based and has more suitable options for the current monitoring of Trees in all of its open spaces	12,000	-	-	one off	N/A	The current software is no longer supported and is now a cloud based system with more functions. This would allow Maldon District Council (MDC) and Essex County Council (ECC) to be able to monitor and keep accurate records of trees across Maldon District. Ongoing software maintenance budget is currently £2,900 so an extra £1,000 per year recurring budget would be required.
Service Delivery	Customer Service resource	Since reopening the reception earlier this year one of our customer service staff was diverted from being on the telephone full time, to covering reception desk. The diversion of this resource had a significant impact on the time taken to deal with calls, with customers waiting an average of 8 mins compared to an average of 1.5 mins. We have utilised some external funding to employ an additional customer service officer to enable the call answering time to revert back to the pre office opening level of service. The role is funded only until 31.3.23. Role will be Band D. Assume start at bottom of grade.	27,600	27,600	27,600	ongoing	0.8 FTE	The growth is required to ensure we have sufficient resource to sustain or current level of telephone service to the public, at the same time as managing visitors to the Council Offices. The growth is a service level choice - If this role is not approved the impact would be either an increase in the time taken to deal with calls, a hybrid approach often customers team taking calls on reception/ intercom or a the removal of our reception resource with only an appointment service being available.
Strategy and Resources	Member's Training	Increase the Members training budget from £2,800 to £6,200 (£200 per member).	3,400	3,400	3,400	ongoing	N/A	Agreed by Council 15 December 2022.
Service Delivery	Head of Environment Services	An addition to the establishment of Head of Environment Services at a cost of £81,144 per annum inclusive of on-costs	81,100	81,100	81,100	ongoing	1.0 FTE	Agreed by Council 12 January 2023.
Resources	HR Fixed Term Post	To fund a fixed term post for six months within the Human Resources Team and additional hours to temporarily build capacity.	39,000	-	-	one off	1.0 FTC	Agreed by Council 12 January 2023.
Budget Growth			163,100	112,100	112,100			

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RECEIVED 03/01/23 via email
MOTION 01/2023

Motions to Full Council.

In accordance with rule 4, of the Council Constitution, 'Council and Committee Procedure Rules' the following motions be moved as submitted by Cllr K M H Lagan and duly seconded by Cllr. Wendy Stamp and Cllr Mark Bassenger - dated: 01/01/2023.

Preamble.

With regard to the proposed paper that is coming to council on 12th January 2023, and the proposed service delivery amendments contained within, the time is right to undertake a review to consider options of the formation of the CLT and leadership model in operation at MDC to support the internal and external agendas, and that officers are charged with scoping out a prepared brief so that external support can be sourced to provide bench makings and options for review by full council.

Motion 1 - To Council:

- *Members are requested to endorse the above approach with a report being made to council on options before or by April 2023.*

Motion 2

Preamble

As members know, there was a large level of criticism levied to the council recently by residents regarding limiting public access to the chamber.

Limiting numbers was sensible during the Covid period, but there is no reason why the Council cannot open up its operating model regarding public access to that which was in place pre Covid. In the spirit of openness and transparency the following motion is submitted to allow more public participation in the chamber if residents wish to come and observe or participate.

Motion 2 – To Council:

That council removes all restrictions on public access to meetings in the chamber and if there are more members of the public attend and cannot be accommodated in the chamber, that the Northey Room is made available to them to view the meeting on screen. This is to

be made in accordance with the requirements of the EqualitAact and access requirements and any applicable health and safety requirements.

Motions to Full Council.

In accordance with rule 4, of the Council Constitution, 'Council and Committee Procedure Rules' the following motions be moved as submitted by Cllr K M H Lagan and duly seconded by Cllr. Wendy Stamp dated: 06/02/2023.

Preamble.

The recent work undertaken by the five-year housing land supply working group to review methodology and data provision has identified that the land supply figure is now at approximately 4.8 (and possibly over 5 years – TBC) from a previous position of 3.6. With this information, it is clear that there would be a benefit in additional scrutiny by members at set times during the year. It is vital that members agree the figures that are to be published as part of the land supply declaration to determine if the LDP has the weight it needs when it comes to planning decisions.

Therefore, the following motion is submitted to council:

Motion 1 - To Council:

- *Members review the provision of land supply data and build out rates on a qtlly basis and that the annual land supply statement is reviewed **and agreed** by council prior to publication.*

Motion 2

Preamble

The council has recently approved additional customer services resource to support the staff structure. It is time that the council has a front desk that is open for physical visits from residents and scraps the need for resident to book an appointment to visit the offices. This will aid inclusion and no longer exclude those who are not able to use technology to contact the council to obtain help or access services.

Motion 2 – To Council:

That council returns to an open-door policy from 09:00 – 4:00pm daily (Monday to Friday) and has a fully staffed front desk presence that can direct visitors to officers who can assist in resident enquiries.

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**RECEIVED 13/02/23 via email
MOTION 03/2023**

We the under signed give notice under Procedure Rule 4 to move the following motion at the meeting of Maldon District Council on Wednesday 22nd February 2023

Cllr Adrian S Fluker

Cllr Paula Spenceley

Motion 1:

Preamble:

The unwavering and tenacious hard work of the Senior Specialist Coordinator – Housing, and the team he leads is recognised and commended upon.

On the 10th February 2023 the District Wide immediate “Housing Needs Register” was as follows: 1,144 Applicants (Singles, Couples and Families) are on the Housing Register with a further 80 applications waiting to be processed. By comparison between 2008 and the first lock down there were 750 applicants on the register.

There are currently 91 current “Homelessness Applications” (50 families and 41 Singles). This is the highest number since our records began.

There are 20 Applicants families/couples/singles currently in nightly paid temporary accommodation outside of district the furthest away being Peterborough.

Whilst it is recognised that Maldon is not alone in having to deal with these matters it is understood that pro-rata our position is worse than some of our contemporaries.

Motion to Council

Motion 1A.

That due to the urgency of the situation, at its meeting on 22nd February 2023 Council resolves to agree that contrary to the Rules of Procedure that motion 1B is put to Council at this time.

Motion 1B.

That at its meeting on 22nd February 2023 Council declares a ‘Homeless Crisis’ and resolves to agree that at the next meeting of Council the Corporate Leadership Team presents an updated strategy to reduce homelessness in the District.

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**RECEIVED 13/02/23 via email
MOTION 04/2023**

We the under signed give notice under Procedure Rule 4 to move the following motion at the meeting of Maldon District Council on Wednesday 22nd February 2023

Cllr Adrian Fluker

Cllr Kevin Lagan

Cllr Wendy Stamp

Motion One:

That at its meeting on 22nd February 2023 Council resolves to agree that in the event of the Chairman of the Council refusing to accept any one of Motions One to Eight the reasons why and the subject of the motions are reported by him to Council on 22nd February 23.

Motion Two:

Preamble:

With Reference to Part 4 Rules of Procedure Rule 1 (m). "Questions (which may be made without notice) to the Leader of the Council (or his absence the Deputy Leader) (other than at the Annual Meeting, and at meetings referred to in (h) above) for a maximum of 15 minutes and not beyond 10pm unless period is extended with the mutual agreement of the Chairman of the Council and the Leader (or deputy Leader)"

The current Leader was elected on the 18th of January 2022. Since that date and in accordance with the above rule the agenda item "Questions to the Leader" has because of time constraints, only been tabled on two occasions.

Since the appointment of the Leader in January 2022 the Council is having to deal with financial uncertainty, the irresolute impacts of levelling up, devolution, its own dissolution, and a homeless crisis in the district.

That said it is considered the current arrangements for members to verbally challenge the policy of the Leader without notice is not fit for purpose and that the option to the question the leader should apply to all meetings.

It is therefore proposed through this motion that in the best interests of democracy, openness, and transparency Rule 1 (m) should be annulled and changed.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that Part 4 Rules of Procedure Rule 1(m) be annulled and is replaced with the following words "Questions (which may be made without notice) to the Leader of the Council (or in his/her absence the Deputy Leader) for a maximum of 15 minutes.

Motion Three:

Preamble:

Since the end of the pandemic the vast majority of office-based employees are still working from home. There are no general overarching policies in place to allow for this on a permanent basis . For example, on Friday 16th December at 10am only 14 members of staff were present in the Council Offices at Princes Road. It is recognised that ‘working from home’ does have advantages however there can be also disadvantages with regards health and wellbeing, peer relationship building, interaction, face to face problem solving, obtainability, and customer service delivery. Complaints have been received from customers regarding the availability of officers to take calls and distractions during calls as a result of personal and household issues which have resulted in calls being ended prematurely.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that the Head of Paid Service reviews the scheme whereby members of staff are currently allowed to work from home and reports back to Council with his recommendations by 30th March 2023

Motion Four:

Preamble:

With Reference to Part 4 Rules of Procedure, Regulation of business and duration of meetings, Rule (6). “The business of meetings of the Council (and its Committees and Sub-committees) shall cease 2.5/3 hours after the meeting has commenced, or such sooner or later time as the Chairman shall consider appropriate.”

Recently Rule 6 has had to be implemented which has resulted in meetings being adjourned, usually at or around 10pm or 10.30pm. With regards welfare, good practice, health, safety and focus of mind, finishing at 10.30pm is considered unacceptable given that Council meetings are often attended by several officers and members who are either working or have personal commitments the following day.

It should be noted that the decision to extend meetings past 2.5/3 hours rests with the Chairman only and that members have been informed that they may choose to leave the meeting at any time (Source: email to members 3rd February). In practice this could mean a chairman could continue past 10.30pm and any members who work or have other commitments the next day who chose to leave could as a result end up being disenfranchised from the democratic process and discriminated against through no fault of their own.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that Part 4 Rules of Procedure, Regulation of business and duration of meetings Rule (6) be annulled and is replaced with the following words). “Other than with the agreement of the Council (or where appropriate its committees and Sub-Committees) all business shall cease at 10pm”

Motion Five:

Preamble:

Given that Council and Committee meetings are increasingly running past 10pm and given the inclement weather during the winter period it would seem sensible for Council (and its Committees and Sub Committees) to consider by default starting meetings 30minutes earlier at 7pm.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the new Administration in May 2023 that during the period of BST (British Summer Time) Council (and its Committee's and Sub-Committees) commence meetings at 7.30pm and that during the period of GMT (Greenwich Mean Time) Council (and its Committee's and Sub-Committees) commence meetings at 7.00pm

Motion Six:

Preamble:

The Committee work plan is acknowledged. Given the extraordinary amount of business that the Council and its Committees are likely to consider during the ensuing Administration and particularly so with regards levelling up, devolution, dissolution, corporate projects, the Local Development Plan review, fiscal alignment, and potentially a structural review it is likely that under Part 4 of the Rules of Procedure meetings will continue to be adjourned to another day in order to conclude their business.

It is noted that adjourning meetings to future dates often with short notice impacts negatively on both Staff and Members and delays the decision-making process of committees particularly so with regards private and confidential matters which tend to be considered at the end of meetings.

It seems reasonable therefore that given the extenuating circumstances the main committees of Council face the number of meetings held should revert to the previous arrangement of eight times per municipal year rather than the current six times per year. This would afford the opportunity to Members to consider items of business in a more timely and productive way which should result in less time being spent debating items at Council.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the new Administration in May 2023 the Strategy and Resources and Performance Governance and Audit Committees meet subject to business being available to consider eight times per municipal year.

Motion Seven:

Preamble:

Since the Council has reverted to holding meetings face to face a practice has evolved whereby Committee Services Offices no longer attend meetings in person. This means the Chairman and Committee are no longer afforded face to face interaction with Clerks. As a result, Chairmen are no longer able to discreetly seek the advice and direction of clerks regarding due process and other matters. On occasions and particularly so with regards the tabling of alternative motions the business and flow of Committees has been interrupted as a result.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that from the start of the next Municipal Year a Committee Service Officer attends all meetings of Council (including its Committees and Sub-Committees) in person.

Motion Eight:

Preamble:

With regards the Strategy and Resources Committee Meeting on 26th January 2023, Agenda Item 18 (considered at the follow-on meeting on 9th February 2023). Supplementary Estimates, Virement. Procurement Exemptions and Use of reserves 1st October – 31st December 2022. A member raised a query regarding a 'Procurement Exemption' (para 3.5.1) and the subsequent letting of a contract between the Council and a third person. The exemption was based on 'immediate attention' and 'There are no other contractors with the required lifting equipment capable of undertaking the work in the river Blackwater' Based on the fact that the contractor provided a quotation to carry out the works in August and they were carried out in December it appears that limited weight should be given to the argument that the works required 'immediate attention'. It is also widely known that there are at least four operators in the rivers Blackwater, and Crouch areas who could have carried out these works. Under these circumstances it is considered that the Procurement Exemption should not have been agreed and that the correct procurement process should have been followed.

Motion to Council

That at its meeting on 22nd February 2023 Council resolves to agree that the Overview and Scrutiny Committee reviews the Procurement Exemption published at Agenda Item 18 paragraph 3.5.1 of the Strategy and Resources Committee Meeting 26th January 2023.

**RECEIVED 13/02/23 via email
MOTION 05/2023**

We the undersigned give notice under Procedures Rule 4 to move the following motion at the meeting of Maldon District Council on Wednesday, 22nd February, 2023:

Cllr Paula Spenceley

Cllr Adrian Fluker

Cllr Kevin Lagan

Cllr Richard Siddall

Preamble:

In December 2022, Essex County Council, in its capacity as the Flood Authority, adopted the Essex Flood Risk Management Plans for Flood Risk Areas. These plans look at seven Flood Risk Areas across the county.

The detail for one of the seven plans reads as follows:

Between 2021 and 2027, the Environment Agency will work with Essex County Council and Maldon District Council to develop options in Heybridge to reduce the risk of fluvial, tidal, and surface water flooding in the Combined Essex Management Catchment.

At the time of writing this motion, no approach for discussion with Heybridge members has been made by officers of either this council, Essex County Council or the Environment Agency. It is feared that without organised, regular and proactive engagement that includes members of this council who represent the residents of the affected area, that once again the chance to realise an appropriate flood alleviation scheme for Heybridge in the period up to 2027 will be effectively reduced and quite possibly lost.

I therefore move the following motion:

That at its meeting on 22nd February 2023 Council resolves to agree to work in a proactive manner to engage with all appropriate authorities to pursue the realisation of a flood alleviation scheme for Heybridge and that, with this in mind, it recognises the need for invitation to involvement of all Heybridge ward members and other members as appropriate through the formation of a Heybridge Flood Alleviation Scheme Working Group.

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REPORT of DIRECTOR OF RESOURCES

to
COUNCIL
22 FEBRUARY 2023

BUSINESS RATES DISCRETIONARY RATE RELIEF

1. PURPOSE OF THE REPORT

- 1.1 For Members to approve the updated Discretionary Non-Domestic Rate Relief Scheme at **APPENDIX 1**, which updates and replaces our existing policy to reflect changes announced by Central Government to support businesses. The new relief will be fully funded by Central Government.

2. RECOMMENDATIONS

That the proposed Discretionary Non-Domestic Rate Relief Scheme at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 As part of the 2022 Autumn statement the Chancellor announced measures to support businesses from 1 April 2023. These include:
- an extension to the Retail, Hospitality and Leisure Relief scheme (RHL) which would offer relief equivalent to seventy five percent of the bill for occupied properties being used for eligible purposes up to a cash cap of £110,000 per business for 2023 / 24.
 - a new Supporting Small Business relief Scheme (SSB) which will cap bill increases at £600 per year for any business losing eligibility for Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation and support for those businesses previously eligible for the 2022 / 23 SSB scheme and facing increases in 2023 / 24.
 - a newspaper Relief Scheme.
- 3.2 The amended policy at **APPENDIX 1** provides for the granting of the new reliefs in line with the published guidance. These measures are fully funded by Central Government. Members are asked to, in particular, note the policy appendices f (local newspaper relief, g (supporting small business relief) and i (2023 retail, hospitality and leisure relief)

4. CONCLUSION

- 4.1 The updated Discretionary policy enable the granting of additional Discretionary Relief and Transitional Relief to eligible businesses.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The updated Discretionary Non-Domestic Rate Relief policy will enable the granting of additional Discretionary Relief and Transitional Relief which will support the Councils goal of “prosperity” and enabling businesses to arrive, thrive and survive.

6. IMPLICATIONS

- (i) **Impact on Customers** – Eligible businesses will receive a rates bill reduction
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – The schemes provide for financial support to businesses.
- (iv) **Impact on Resources (financial)** – None; the schemes are fully funded by Central Government.
- (v) **Impact on Resources (human)** – None; the schemes will be delivered within existing resources.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to: Michelle Lamarre, Lead Specialist Revenues and Benefits.



MALDON DISTRICT COUNCIL

Maldon District Council Policy for the granting of Discretionary Non-Domestic Rate Relief

Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
1	June 2017	LM	Policy
2	June 2017	DA	Revisions
3	July 2017	LM	Revisions
4	July 2017	DA	Sign Off
5	October 2017	LM	Revisions MLM
6	November 2017	LM	Revisions MLM
7	January 2019	LM	Full update of policy
8	April 2020	LM/DA	Full update of policy & inclusion of COVID-19 reliefs
9	April 2021	LM/DA	Full update of policy & inclusion of COVID-19 reliefs
10	February 2022	LM/DA	Full update of policy & inclusion of COVID-19 reliefs
11	February 2023	LM/DA	Full update of policy & inclusion of Cost of Living reliefs

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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of discretionary relief and related areas to be granted to certain defined ratepayers within the Council's area. The policy includes all changes effective from 1st April 2023 and includes all new reliefs due to the revaluation of rateable values in April 2023 and the cost of living crisis. The Council is keen to support businesses during the crisis, as far as possible.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant mandatory relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for mandatory relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2023. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met. In the case of the new reliefs, some guidance has been issued by Central Government outlining actions expected to be taken by local authorities. This policy includes Government guidance where appropriate but also looks to target discretionary relief in line with the Council's priorities.
- 1.5 This document outlines the following areas:
 - Details of the criteria for receiving Discretionary Reliefs for all relevant areas;
 - The Council's policy for the granting of all types of Discretionary Reliefs;
 - Guidance on granting and administering the reliefs and awards; and
 - The Council's Scheme of Delegation.
- 1.6 Where organisations apply for relief they will be granted (or not granted) relief or reductions in line with the following policy.

2.0 Mandatory Relief - Legislative Background

Charity Relief

- 2.1 The powers relating to the granting of mandatory¹ and discretionary relief are given to the Council under the Local Government Finance Act 1988². Charities and Trustees for Charities are only liable to pay one fifth of the Non-Domestic Rates that would otherwise be payable where property is occupied and used wholly or mainly for charitable purposes. This amounts to mandatory relief of 80%. For the purposes of the Act, a charity is an organisation or trust established for charitable purposes, whether or not it is registered with the Charity Commission. The provision has been extended under the Local Government Act 2003 (effective from 1st April 2004) to registered Community Amateur Sports Clubs (CASCs). Full details of the mandatory provisions are given later within this policy.
- 2.2 In the case of charity shops, the premises must meet the criteria laid down by section 64 (10) of the Local Government Finance Act 1988 which states that the premises are to be treated as used for charitable purposes at any time it is wholly or mainly used for the sale of goods donated to the charity and the proceeds of goods (after any deductions for expenses) are applied for the purpose of the charity.
- 2.3 The Council has discretion to grant relief of up to a further 20% for these mandatory cases under its discretionary provisions.

Rural Rate Relief

- 2.4 From 1st April 1998, under powers originally granted to the Council by the Local Government and Rating Act 1997³, certain types of business in rural settlements, with a population below 3000 may qualify for mandatory rate relief of 50 per cent. Businesses that qualify for this relief are the sole general store and the sole post office in the settlement, provided it has a Rateable Value of up to £8500; any food shop with a Rateable Value of up to £8500; and the sole pub and the sole petrol station in the settlement provided it has a Rateable Value of up to £12500.
- 2.5 From 1st April 2023, Central Government has indicated that it wants all authorities to give 100% relief to premises that receive mandatory rural rate relief. Where the additional 50% is granted, a section 31 grant will be made available to the Council. This is dealt with further within this policy and the Council will automatically grant the additional 50% discretionary relief where appropriate
- 2.6 Where businesses in rural settlements have a Rateable Value of up to £16,500 **and** are not in receipt of mandatory relief, the Council may decide to give up to 100 per cent discretionary relief if it is satisfied

¹ S43 & S45 Local Government Finance Act 1988

² S47 & S48 Local Government Finance Act 1988

³ LGFA 1988, s.47, as amended by Sch. 1 to the Local Government and Rating Act 1997

that the business is of benefit to the community and having regard to the interests of its Council Taxpayers.

3.0 Discretionary Relief – Legislative Background

Introduction

- 3.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.
- 3.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 3.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.
- 3.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information and evidence as required in order to determine whether relief should be awarded.
- 3.5 The Council is obliged to carefully consider every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority's area. There is no statutory appeal process or Tribunal against any decision made by the Council although, as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 3.6 Granting of the relief falls broadly into the following categories:
 - (a) Discretionary Relief – Charities who already receive mandatory relief.
 - (b) Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts **or** premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
 - (c) Discretionary Relief – Rural Rate relief - premises that already receive mandatory relief;
 - (d) Discretionary Relief – Rural Rate relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV;
 - (e) Discretionary Relief – Granted under the Localism Act 2011 provisions;
 - (f) Local Newspaper Relief (from 1st April 2023 until 2025);
 - (g) Supporting Small Businesses Relief (from 1st April 2023 for a period of up to three years);
 - (h) Retail, Hospitality and Leisure Business Rates Relief (from 1st April 2022 for a period of one year);
 - (i) Retail, Hospitality and Leisure Business Rates Relief (from 1st April 2023 for a period of one year);
 - (j) S49 Hardship Relief.

- 3.7 The decision to grant or not to grant discretionary relief is a matter purely for the Council.

The Council's general approach to granting Discretionary Relief

- 3.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:
- (a) The awarding of relief will be in line with the Council's vision and values. Details can be found at
 - (b) That any award should support business, charities, organisations, and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
 - (c) It should help and encourage business, charities, organisations, groups, and communities to become self-reliant;
 - (d) Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
 - (e) Local organisations will be given priority over national organisations. Where requested, the organisation will need to supply the Council with clear evidence of **all** financial affairs (normally two full years) including, and most importantly, the amounts of monies raised, used, and invested locally. This will be essential where the organisation is national in nature;
 - (f) To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which without granting discretionary relief they would be unable to do;
 - (g) To assist the Council in delivering services which could not be provided otherwise;
 - (h) To enable the Council to determine the level of rate change in comparison with the organisation's financial situation; and
 - (i) To ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it;
- 3.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.
- 3.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

The Council's approach to granting Government led Discretionary Relief schemes

- 3.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise

any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

4.0 Effect on the Council's Finances

- 4.1 The granting of discretionary relief will, in the main, involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 4.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases after 1st April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government, 40% by the Council and 10% by Essex County Council. This also applies where mandatory relief is granted.
- 4.3 Where Central Government leads an initiative, grants are often available through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas
- 4.4 The financial effects of discretionary reliefs covered by this policy are as follows:

Appendix	Relief Type	Granted after 1 st April 2023
	Charity Relief	
A	Discretionary relief granted to Mandatory Relief recipients	40% borne by the Council
B	Non-profit Making Organisations including Sports Clubs and societies	40% borne by the Council
	Rural Rate Relief	
C	50% Discretionary relief granted to Mandatory Rural Relief recipients	Section 31 Grant
D	Other premises within a rural settlement under £16500 RV	40% borne by the Council
	Localism	
E	Discretionary Relief granted to ratepayers generally and not covered by any other section	40% borne by the Council
	Local Newspaper Relief	
F	Discretionary Relief granted to local newspapers meeting the criteria (From 1 st April 2023 up until 2025)	Section 31 Grant
	Supporting Small Business Relief	
G	Supporting Small Businesses Relief (from 1 st April 2023 for a period of up to three years if conditions are met	Section 31 Grant

Appendix	Relief Type	Granted after 1 st April 2023
H	Retail, Hospitality and Leisure Business Rates Relief	
	Retail, Hospitality and Leisure Business Rates Relief (from 1 st April 2022 for a period of one year);	Section 31 Grant
I	Retail, Hospitality and Leisure Business Rates Relief	
	Retail, Hospitality and Leisure Business Rates Relief (from 1 st April 2023 for a period of one year)	Section 31 Grant
	S49 Hardship Relief	
J	Partial or full relief for cases of hardship where it would be reasonable to do so having due regard to the interests of council taxpayers	40% borne by the Council

5.0 Administration of Discretionary Relief

- 5.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction. This is essentially laid down by legislation⁴

Applications and Evidence

- 5.2 All reliefs must be applied for. Application forms are produced by the Council both in hard copy and electronic format. The relevant application forms available online using the following links
- [General Discretionary application form](#)
 - [CASC, charities and not for profit additional questions](#)
- 5.3 Organisations are required to provide a completed application form plus any such evidence, documents, accounts (normally the last two years), financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 5.4 Applications should initially be made to the Revenues and Benefits Services and will be determined in accordance with Section 7 of this policy.
- 5.5 **The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**

⁴ The Non-Domestic Rating (Discretionary Relief) Regulations 1989

Granting of relief

- 5.6 In all cases, the Council will notify the ratepayer of decisions made.
- 5.7 Where an application is successful, then the following will be notified to them in writing:
- The amount of relief granted and the date from which it has been granted;
 - If relief has been granted for a specified period, the date on which it will end. (It should be noted that reliefs are granted for the period specified in the appropriate Appendix and may vary from a day to a full financial year);
 - The new chargeable amount;
 - The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
 - A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.
- 5.8 Where relief is not granted, then the following information is provided, again in writing:
- An explanation of the decision within the context of the Council's statutory duty; and
 - An explanation of the appeal rights (see below).
- 5.9 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council *may* backdate its decision.
- 5.10 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, the Council reserves the right to grant relief for any other period as appropriate.
- 5.11 A fresh application for discretionary relief will be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

- 5.12 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge or a change in the Council's decision which increases the award – this will apply from a date determined by the Council as appropriate;
 - Where the amount is to increase for any other reason, it will take effect at the expiry of a financial year and so that at least one year's notice is given;

- Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
 - Where the amount is to be reduced for any other reason, it will take effect from a date determined by the Council as appropriate;
- 5.13 A decision may be revoked at any time however; a one-year period of notice will be given, and the change will take effect at the expiry of a financial year.

6.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 6.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003, and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 6.2 The Council's scheme of delegation allows for the Lead Specialist, Service Delivery to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the relevant executive or committee prior to final determination.
- 6.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

- 6.4 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Appeals

- 6.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Lead Specialist, Service Delivery. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.

- 6.6 Where the ratepayer wishes to appeal the decision of the Lead Specialist, Service Delivery the case will be considered by the Section 151 officer or another member of the Corporate Leadership team, whose decision on behalf of the Council will be final
- 6.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

7.0 Reporting changes in circumstances

- 7.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible. This will be important where the change would result in the amount of the award being reduced or cancelled e.g., where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 7.2 Where a change of circumstances is reported, the relief will, if appropriate, be revised or cancelled as appropriate. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

8.0 Fraud

- 8.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

Appendix A

Discretionary Relief - Mandatory Relief recipients

Discretionary Relief – Mandatory Relief recipients

General Explanation

- A.1 S43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. No charge is made in respect of unoccupied premises where it appears that *when next in use* it will be used wholly or mainly for those purposes.
- A.2 The legislation has been amended by the Local Government Act 2003 (effective from 1st April 2004) to include registered⁵ Community Amateur Sports Clubs (CASC). These organisations can now receive the mandatory (80%) relief.

Charity registration

- A.3 Charities are defined within the legislation as being an institution⁶ or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.
- A.4 The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under s.4 of the Charities Act 1960. Entry in the register is conclusive evidence. By definition, under the Non-Domestic Rating legislation, there is no actual need for an organisation to be a registered charity to receive the relief and this has been supported by litigation⁷, however in all cases the organisation must fall within the following categories:
- trusts for the relief of poverty;
 - trusts for the advancement of religion;
 - trusts for the advancement of education; and
 - trusts for other purposes beneficial to the community, but not falling under any of the preceding heads.
- A.5 Certain organisations are exempted from registration generally and are not required to make formal application to the Charity Commissioners these are:
- the Church Commissioners and any institution administered by them;
 - any registered society within the meaning of the Friendly Societies Acts of 1896 to 1974;
 - units of the Boy Scouts Association or the Girl Guides Association; and
 - voluntary schools within the meaning of the Education Acts of 1944 to 1980.
- A.6 The Council will consider charitable organisations, registered or not, for mandatory relief.

⁵ Registered with HMRC as a CASC

⁶ S67(10) Local Government Finance Act 1988

⁷ Income Tax Special Commissioners v Pemsell (1891)

Use of Premises – wholly or mainly used

- A.7 Irrespective of whether an organisation is registered as a charity or not, the premises **must** be wholly or mainly used for charitable purposes. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection, but on occasions the Council has had to question the actual use to which the premises are to be put. In some cases, it will be necessary for the Council to inspect any premises fully.
- A.8 Guidance from the Department of Communities and Local Government (now MHCLG) has stated that in the case of 'mainly', at least 51% must be used for charitable purposes whether of that charity or of that and other charities
- A.9 The following part of this section gives details on typical uses where relief may be given plus additional criteria that have to be satisfied. The list is not exhaustive but gives clear guidance on premises for which mandatory relief can be granted *and therefore* premises which may be equally considered for discretionary rate relief.

Offices, administration, and similar premises

- A.10 Premises used for administration of the Charity include:
- Offices;
 - Meeting Rooms; and
 - Conference Rooms.

Charity shops

- A.11 Charity shops are required to meet additional legislative criteria if they are to receive mandatory relief. Section 64 (10) of the Local Government Finance Act 1988 provides that a property is to be treated as being wholly or mainly used for charitable purposes at any time if, at the time, it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of the sale of the goods (after any deduction of expenses) are applied for the purposes of the charity.
- A.12 In order to ascertain whether an organisation meets these requirements, inspections may be made by an officer of the Council when an application is received

Granting of Mandatory Relief - the Council's Policy

- A.13 Where the criteria for awarding mandatory relief are met, the rate charges shall be calculated in accordance with the legislation reducing the liability of ratepayers for each day that the criteria are met.

Charity Relief – Mandatory Relief recipients, the Council’s Policy for granting discretionary relief.

- A.14 The Council will consider applications for a discretionary rate relief top up from charities based on their own merits, on a case-by-case basis.
- A.15 In determining the application, the following matters will be taken into consideration:
1. How the charity supports and links into the Council’s corporate vision and priorities;
 2. The purpose of the charity and the specific activity carried out within the premises for which the relief is requested; and
 3. Whether the charity operates at a local or national level and where appropriate, the local and national funding streams and financial position of the charity. The Council is keen to ensure that the organisation provides significant benefit to local residents.
- A.16 The Council is keen to support businesses that have a critical role to play in the local economy and to assist the Council in meeting the corporate aims and values.
- A.17 In the case of registered Community Amateur Sports Clubs, the key criteria in determining the application will be:
1. The ratepayer occupies the whole hereditament;
 2. Relief cannot be granted in respect of premises that are occupied by the Council or precepting authority;
 3. How the CASC supports and links into the Council’s corporate vision and priorities;
 4. The membership and fee structure, and whether the CASC is accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
 5. Membership numbers and the number and percentage of these members that are local residents;
 6. If the CASC has due regard to equality issues and if it actively encourages members from under-represented groups, for example black and minority ethnic residents, people over 50 and people with disabilities;
 7. Whether facilities are available to the wider community regardless of ability; and
 8. If the CASC runs a bar or food provision: the level of income from this activity and how this money is used; and whether the CASC operates at a local or national level and where appropriate, the local and national funding streams and financial position of the CASC.
- A.18 The Council wishes to support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council’s aims and vision. In the main, this will be done through other means rather than granting discretionary relief. There may be occasions where applications are made for such relief or where a package of measures, including discretionary relief, are appropriate in supporting businesses.

Appendix B

Discretionary Relief - Non-Profit Making Organisations including Recreation

Discretionary Relief – Non-Profit Making Organisations including Recreation

General explanation

Non-Profit

- B.1 The legislation⁸ allows the Council to grant discretionary relief where the property is not an *excepted* one and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature, or the fine arts.
- B.2 Relief cannot be granted to any premises occupied by the Council, or any town, parish council or major Precepting Authority (*excepted premises*).
- B.3 A number of issues arise from the term 'not established or conducted for profit'. This requires the Council to make enquiries as to the overall purpose of the organisation although if surpluses and such amounts are directed towards the furtherance or achievement of the objects of the organisation then it does not necessarily mean that the organisation was established or conducted for profit.⁹

Recreation Clubs

- B.4 Ideally all recreation clubs should be encouraged to apply for Community Amateur sports Club (CASC) status, which would automatically entitle them to 80% relief. The relief granted to CASCs is covered earlier within this policy.
- B.5 Recreation clubs can also apply to the Charity Commissioners for registration as a Charity (thereby falling under the mandatory provisions for 80% relief) where they meet the following conditions:
- a. The promotion of community participation in healthy recreation and by the provision of facilities for the playing of particular sports; and
 - b. The advancement of the physical education of young people not undergoing formal education.
- B.6 Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted (0-100%) where the property is not an *excepted* one, it is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

⁸ S47 Local Government Finance Act 1988

Definition of Recreation

B.7 Recreation is clearly defined by the Sports Council as any of the following¹⁰

Aikido	Croquet	Kabaddi	Real Tennis	Tang Soo Do
American Football	Crossbow	Karate	Roller Hockey	Tenpin Bowling
Angling	Curling	Kendo	Roller Skating	Trampolining
Archery	Cycling	Korfball	Rounders	Triathlon
Arm Wrestling	Disability Sport	Lacrosse	Rowing	Tug of War
Association Football	Dragon Boat Racing	Lawn Tennis	Rugby League	Unihoc
Athletics	Equestrian	Life Saving	Rugby Union	Volleyball
Australian Rules Football	Fencing	Luge	Sailing	Water Skiing
Badminton	Fives	Modern Pentathlon	Sand/Land Yachting	Weightlifting
Ballooning	Flying	Motor Cycling	Shinty	Wrestling
Baseball	Gaelic Football	Motor Sports	Shooting	Yoga
Basketball	Gliding	Mountaineering	Skateboarding	
Baton Twirling	Golf	Movement, Dance, Exercise & Fitness	Skiing	
Biathlon	Gymnastics	Netball	Skipping	
Bicycle Polo	Handball	Orienteering	Snowboarding	
Billiards and Snooker	Hang/Para Gliding	Parachuting	Softball	
Bobsleigh	Highland Games	Petanque	Sombo Wrestling	
Boccia	Hockey	Polo	Squash	
Bowls	Horse Racing	Pony Trekking	Skater/Street Hockey	
Boxing	Hovering	Pool	Sub-Aqua	
Camogie	Hurling	Quoits	Surf Life Saving	
Canoeing	Ice Hockey	Racketball	Surfing	
Caving	Ice Skating	Rackets	Swimming & Diving	
Chinese Martial Arts	Jet Skiing	Raquetball	Table Tennis	
Cricket	Ju Jitsu	Rambling	Taekwondo	
	Judo			

Access to clubs

B.8 Guidance issued by the DCLG (now DLUHC) also requires the Council to consider access to clubs within the community before granting discretionary relief.

B.9 Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the

¹⁰ Definition last reviewed by Sport England in 2002

field covered by the organisation or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.

- B.10 Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that distinguish the different classes of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.
- B.11 The Council also asks the following question to help establish the level of access 'Does the organisation actively encourage membership from particular groups in the community e.g., young people, women, older age groups, persons with disability, ethnic minorities' etc.?'

Provision of facilities

- B.12 Clubs which provide training or education are encouraged, as are those who provide schemes for particular groups to develop their skills e.g., young people, the disabled, retired people.
- B.13 A number of organisations run a bar. The mere existence of a bar will not in itself be a reason for not granting relief. However, the Council focuses on the main purpose of the organisation. The Council is encouraged to examine the balance between playing and non-playing members.
- B.14 Within this area, the Council also considers whether the facilities provided relieve the Council of the need to do so or enhance and supplement those that it does provide.

Discretionary Relief - Non-Profit Organisations including Recreation - the Council's Policy

- B.15 The Council will consider applications for discretionary rate relief from non-profit making organisations on their own merits on a case-by-case basis. In determining the application, the following matters will be taken into consideration (The list is not exhaustive):
- How the organisation supports and links into the Council's corporate vision and priorities;
 - Whether the facilities provided include education and/or training for members as a whole or for special groups;
 - The extent to which the facilities provided reduce the demand for Council services or produce savings;
 - Any membership and fee structure and whether the facilities are accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
 - If covered by a membership scheme, membership numbers and the number and percentage of these members that are local residents; and
 - If the organisation has due regard to equality issues and if its facilities are used by all members of the community, for example black and minority ethnic residents, people over 50 and people with disabilities.

B.16 The Council will also require additional financial information including:

- If the organisation runs a bar or food provision, the level of income from this activity and how this money is used.; and
- Whether the organisation operates at a local or national level and where appropriate, the local and national funding streams and financial position of the organisation.

Appendix C

Discretionary Relief - Rural Rate Relief - Mandatory Relief recipients

Discretionary Relief - Rural Rate Relief - Mandatory Relief recipients

What are the qualifying criteria for Mandatory Relief?

- C.1 For a Post Office or General Store to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £8,500 (from 1 April 2023);
 - The property must be used as a Post Office or a General Store (see below for definition), or both;
 - The property must be the only Post Office or the only General Store within the Rural Settlement.
- C.2 For a Public House or Petrol Filling Station to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £12,500 from 1 April 2023);
 - The property must be used as a Public House (see below for definition) or a Petrol Filling Station (see below for definition); and
 - The property must be the only Public House or the only Petrol Filling Station within the Rural Settlement.
- C.3 For a village food shop to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £8,500 from 1 April 2023); and
 - The property must be used as a shop selling mainly food (see below for definition).

What rural settlements exist within the Maldon District Council's area?

- C.4 The following are deemed to be rural settlements within the District Council's area:

Althorne – North	Althorne _ South	Asheldham
Bradwell-On-Sea	Bradwell Waterside	Cold Norton
Dengie	Goldhanger	Great Braxted
Great Totham – North	Great Totham -South	Hazeleigh
Heybridge Basin	Langford	Latchingdon
Little Braxted	Little Totham	Mundon
North Fambridge -North	North Fambridge -South	Purleigh
St. Lawrence	Steeple	Stow Maries
Tillingham	Tollesbury	Tolleshunt D'arcy
Tolleshunt Knights	Tolleshunt Major	Ulting
Wickham Bishops	Woodham Mortimer	Woodham Walter

What is the definition of a General Store?

- C.5 For the purposes of Rural Rate Relief, 'General Store' means a business or trade, which wholly or mainly sells by retail both food (other than confectionery) for human consumption and general household goods. Where there are two or more General Stores within the same Rural Settlement, none can qualify for Mandatory Relief on that basis, although if one of them functions as a Post Office or a Food Shop relief

may be claimed independently on that ground. However, both a General Store and a Post Office in the same Rural Settlement will qualify for Mandatory Relief, provided that, they both meet the criteria. Although a General Store or a Post Office may not meet the criteria for Mandatory Relief, they may still be eligible to apply for Discretionary Relief.

What is the definition of a Public House?

- C.6 For the purposes of Rural Rate Relief, 'Public House' means any premises as defined in the Licensing Act 2003, which has a premises license authorising sale by retail of alcohol for consumption on the premises. In addition, the premises must be used principally for retail sales of alcohol to members of the public for consumption on the premises, and sales must not be subject to the condition that buyers reside at or consume food on the premises.

What is the definition of a Petrol Filling Station?

- C.7 For the purposes of Rural Rate Relief, 'Petrol Filling Station' means premises where petrol or other automotive fuels are sold retail to the general public for fuelling motor vehicles intended or adapted for use on roads

What is the definition of a Food Shop?

- C.8 For the purpose of Rural Rate Relief, 'Food Shop' means a trade or business consisting wholly or mainly of the sale by retail of food for human consumption (excluding confectionery and catering – in this context catering means any supply of food for consumption on the premises on which it is supplied and any supply of hot food for consumption off the premises). This definition may also include shops, which sell mainly household foods, and which may partly also sell hot take away food or food consumed on the premises. But shops whose main business is a restaurant, tearoom, take-away, or confectionery sales are not food shops and so will not qualify for mandatory relief.

What are the qualifying criteria for Discretionary Relief?

- C.9 The Council may grant up to 50% Discretionary Relief in respect of any property which qualifies for 50% Mandatory Relief and the Council may also grant up to 100% Discretionary Relief to any rural business which does not meet the mandatory provisions. It should be noted that for 2023 onwards Central Government has requested that Council grant 50% discretionary relief to all ratepayers who receive 50% mandatory rural rate relief.

Rural Rate Relief – Mandatory Relief recipients, the Council's Policy for granting discretionary relief.

- C.10 As Central Government has requested and fully funds any additional relief granted to ratepayers who receive mandatory rural rate relief, the Council will automatically grant the additional 50% until such time as primarily legislation is changed.

Appendix D

Discretionary Relief - Premises within Rural Settlements

Discretionary Relief – Premises within Rural Settlements

- D.1 In addition to having the ability to grant discretionary relief to those in receipt of mandatory relief, the Local Government and Rating Act 1997 allows discretionary relief of up to 100% to be granted where the rateable value is £16500 or less and:
- (a) Property is used for purposes which are of benefit to the local community; and
 - (b) It would be reasonable for the billing authority to award relief, having regards to the Council's Council Taxpayers.
- D.2 As with most discretionary relief, part of the cost, is met by Central Government and the balance from local sources.
- D.3 The main criteria for granting discretionary relief in respect of rural rate relief is that premises are used to benefit the local community.

Benefit to the local community

- D.4 Whilst each application for the relief will be considered on its own merits, there are certain factors which weigh heavily in the decision-making process. It is this Council's belief that the spirit of the legislation is to assist businesses and amenities, which contribute significantly to the quality of life of the people who have their main home in the Rural Settlement.
- D.5 To be successful for consideration, a business must show that its existence is a significant benefit to the local community with the majority of local residents directly benefiting from services or facilities provided by that business

Rural Rate Relief – the Council's Policy for granting discretionary relief.

- D.6 The Council will also consider applications for a discretionary rural rate relief from all ratepayers, not entitled to mandatory relief up to a maximum of 100%.
- D.7 In determining the application the following matters will be taken into consideration:
- The granting of any discretionary relief will be essential in ensuring the viability of any business within the rural settlement;
 - The granting of any discretionary relief is proportionate given the level of any business rates charged compared with the overall turnover of the business;
 - The granting of any discretionary relief will assist the business in continuing to be viable and / or prevent the business from failing;
 - The business is considered by the Council to be essential to the community and that any reduction or withdrawal of the business will have a serious detrimental effect on the rural settlement;
 - The granting of any discretionary relief is reasonable having regard to the effect on taxpayers of the District.

Appendix E

Discretionary Relief - Localism Act 2011

Discretionary Relief – Localism Act 2011

General explanation

- E.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions allow all Councils to grant discretionary relief in **any** circumstances where it feels fit having regards to the effect on the Council Taxpayers of its area.
- E.2 The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Taxpayers.

Discretionary Relief – Localism – the Council's Policy

- E.3 Applications will be considered from any ratepayer who wishes to apply. However, where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then relief can be granted under the existing provisions as laid down by Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary relief policy.
- E.4 Any ratepayer applying for discretionary rate relief under these provisions and who does not meet the criteria for existing relief (charities, non-profit making organisations etc.) must meet **all** of the following criteria and the amount of relief granted will be dependent on the following key factors:
- (a) The ratepayer **must not** be entitled to mandatory rate relief (Charity or Rural Rate Relief);
 - (b) The ratepayer **must not** be entitled to Central Government funded reliefs;
 - (c) The ratepayer **must not** be an organisation that could receive relief as a non-profit making organisation or as a sports club or similar;
 - (d) The ratepayer **must** occupy the premises (no discretionary rate relief will be granted for unoccupied premises);
 - (e) The premises and organisation **must** be of *significant* benefit to residents of the Council's area;
 - (f) The premises and organisation **must** relieve the Council of providing similar facilities;
 - (g) The ratepayer **must**;
 - Provide facilities to certain priority groups such as elderly, disabled, minority groups, disadvantaged groups; **or**
 - Provide *significant* employment or employment opportunities to residents of the Council; **or**
 - Provide the residents of the area with such services, opportunities or facilities that cannot be obtained locally or are not provided locally by another organisation;
 - (h) The ratepayer **must** demonstrate that assistance (provided by the discretionary rate relief) will be for a *short time only* **and** that any business / operation is financially viable in the medium and long term;
 - (i) whether the premises occupied are considered to be reasonable having regard to the size and location of the premises, the size and nature of the organisation, and the use being made of the premises by the organisation; **and**

- (j) The ratepayer **must** show that the activities of the organisation are consistent with the Council's core values and priorities.

E.5 Where a ratepayer can demonstrate that **all** of the above criteria are met, relief will be considered for initially a short period.

Appendix F

Local Newspaper Relief

General Explanation

- F.1 This is a temporary relief that will be awarded until 2025 and the Government is not changing the legislation around the reliefs available to these properties. Central Government will reimburse local authorities that use their discretionary relief powers (under section 47(3)) of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in this guidance.
- F.2 The Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.

Eligibility criteria

- F.3 The scheme will provide a £1,500 relief for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament.

Local Newspapers

- F.4 The relief is to be specifically for local newspapers and by that, the Council means what would be considered a "traditional local newspaper." The relief will not be available to magazines.

Office Space

- F.5 The hereditament **must** be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

Amount of Relief

- F.6 The amount of relief is limited to a maximum of one discount per newspaper title (e.g., per newspaper name) **AND** per hereditament.

Local Newspaper Relief - the Council's policy for granting discretionary relief.

- F.7 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix G

Supporting Small Businesses Relief (until 31st March 2026)

General Explanation

- G.1 For the financial years 2023/24 to 2025/26, the Government will, in line with the eligibility criteria set out below, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant 2023 Supporting Small Business relief.
- G.2 It will be for the Council, which administers the 2023 Supporting Small Business (2023 SSB) relief, to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- G.3 Central government will reimburse the Council and major precepting authorities for the actual cost to them under the rates retention scheme of the 2023 Supporting Small Business relief that falls within the definitions in this policy.

Who is eligible for the 2023 Supporting Small Business Relief (2023 SSB) and how much relief will be available?

- G.4 2023 SSBR will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their Small Business, Rural Rate Relief or 2017 SSBR and, as a result, are facing large increases in their bills.
- G.5 Charities and Community Amateur Sports Clubs, who are already entitled to mandatory 80% relief, are not eligible for 2023 SSBR.
- G.6 To support these ratepayers, 2023 SSBR will ensure that the increase in the bills of these ratepayers is limited to a cash value of £600 per year. This cash maximum increase ensures that ratepayers do not face large bill increases in 2023/24 after transitional relief and small business rate relief (as applicable) have been applied. In order to simplify the scheme, the 2023 SSBR will not include minimum percentage bill increases (unlike the 2017 scheme).
- G.7 Those on 2023 SSBR whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for 2023 SSBR.
- G.8 The 2017 SSBR scheme was provided to support small and medium ratepayers who had seen large increases in their bills at the 2017 revaluation. They have, therefore, had 6 years of support to allow them to adjust to their full 2017 bills. Therefore, for those ratepayers receiving 2017 SSB relief in 2022/23, any eligibility for 2023 SSBR will end on 31 March 2024.
- G.9 The Council will ensure this eligibility criteria is clear in the scheme approved and that relief for these ratepayers is awarded for one year only so that the relief can then be withdrawn on 31 March 2024 without further notice.

- G.10 A change of ratepayers will not affect eligibility for the Supporting Small Business scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
- G.11 There is no second property test for eligibility for the 2023 SSBR scheme. However, those ratepayers who during 2022/23 lost entitlement to Small Business Rate Relief (because they failed the second property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period of grace before their relief ended - can continue on the 2023 SSBR scheme for the remainder of their 12 month period of grace.

Sequence of reliefs

- G.12 Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for 2023 SSBR. For the avoidance of doubt, small business rate relief or rural rate relief will not be applied to further reduce the bill found under 2023 SSBR (to avoid the double counting of relief).
- G.13 The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A certificate will not further reduce the bill found under 2023 SSBR.
- G.14 All other discretionary reliefs, including those funded by section 31 grants, will be considered after the application of 2023 SSBR.

Subsidy control

- G.15 The 2023 SSBR is likely to amount to a subsidy. Therefore, any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- G.16 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.
- G.17 In those cases where it is clear to the Council that the ratepayer is likely to breach the MFA limit then the Council will withhold the relief. Otherwise, the Council may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the Council if they are in breach of the MFA limit.

- G.18 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

Recalculations of reliefs

- G.19 As with other reliefs, the amount of SSBR awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.
- G.20 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.
- G.21 Therefore, when making an award for SSBR, the Council will ensure the conditions of the award that the relief are subject to the property's continuing eligibility. If the use of the property changes so that it is no longer eligible, the relevant chargeable amount must be recalculated to reflect that fact.
- G.22 The Council will also ensure that the scheme provides that eligibility for those ratepayers previously in the 2017 SSBR scheme in 2022/23 are eligible for one year of relief only and that the relief will then be withdrawn from those ratepayers on 31 March 2024 without further notice.

Supporting Small Business Rates Relief (2023/24 to 2025/26) - the Council's policy for granting discretionary relief.

- G.23 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix H

Retail, Hospitality and Leisure Relief (2022/23 only)

Purpose of the Policy

- H.1 The purpose of this policy is to determine the level of discretionary relief to be awarded in respect of the Retail, Hospitality and Leisure Business Rates Relief Scheme for the financial year commencing 1st April 2022.
- H.2 This is a government led initiative and the Council is keen to support businesses as far as possible.

General Explanation

- H.3 The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.

Who is eligible for the relief?

- H.4 Hereditaments which benefit from the relief will be those which for a chargeable day in 2022/23:
- (a) meet the eligibility criteria; and
 - (b) the ratepayer for that chargeable day has not refused the relief for the eligible hereditament. The ratepayer may refuse the relief for each eligible hereditament anytime up to 30 April 2023. The ratepayer cannot withdraw their refusal for either all or part of the financial year.
- H.5 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to themselves certain precepting authorities (e.g., a parish or county council) or a functional body, within the meaning of the Greater London Authority Act 1999.

How much relief will be available?

- H.6 Subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2022/23 under this scheme is for chargeable days from 1 April 2022 to 31 March 2023, 50% of the chargeable amount.
- H.7 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where the Council has used their wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants.
- H.8 Subject to the cash cap, the eligibility for the discount and the relief itself will be assessed and calculated on a daily basis. The formula that will be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2022/23 is $V \times 0.5$, where V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any certain other discretionary reliefs.

- H.9 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap, per business.

The cash cap and subsidy control

- H.10 Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.
- H.11 Where a ratepayer has a qualifying connection with another ratepayer then those ratepayers will be considered as one ratepayer for the purposes of the cash caps. A ratepayer shall be treated as having a qualifying connection with another:
- (a) where both ratepayers are companies, and
 - (i) one is a subsidiary of the other; or
 - (ii) both are subsidiaries of the same company; or
 - (b) where only one ratepayer is a company, the other ratepayer (the "second ratepayer") has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.
- H.12 Furthermore, the Retail, Hospitality and Leisure Scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations
- H.13 To the extent that the Council is seeking to provide relief that falls within the Small Amounts of Financial Assistance Allowance, Article 364 of the TCA allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to 325,000 Special Drawing Rights (£343,000 as at 9th December 2021) in a three-year period (consisting of the 2022/23 year and the two previous financial years). Expanded Retail Discount granted in either 2020/21 or 2021/22 does not count towards the £343,000 allowance but BEIS business grants (throughout the 3 years) and any other subsidies claimed under the Small Amounts of Financial Assistance limit should be counted.
- H.14 In those cases where it is clear to the Council that the ratepayer is likely to breach the cash cap or the Small Amounts of Financial Assistance limit then the authority will automatically withhold the relief.
- H.15 The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

Eligibility for the Retail, Hospitality and Leisure Relief Scheme

- H.16 Hereditaments that are eligible for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:
- (a) they are wholly or mainly being used:
 - (i) as shops, restaurants, cafes, drinking establishments, cinemas, or live music venues;

- (ii) for assembly and leisure; or
- (iii) as hotels, guest & boarding premises, or self-catering accommodation.

H.17 The Council considers shops, restaurants, cafes, drinking establishments, cinemas, and live music venues to mean:

(i) Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc);
- Charity shops;
- Opticians;
- Post offices;
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors);
- Car/ caravan show rooms;
- Second-hand car lots;
- Markets;
- Petrol stations;
- Garden centres; and
- Art galleries (where art is for sale/hire).

(ii) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc);
- Shoe repairs/ key cutting;
- Travel agents;
- Ticket offices e.g., for theatre;
- Dry cleaners;
- Launderettes;
- PC/ TV/ domestic appliance repair;
- Funeral directors;
- Photo processing;
- Tool hire; and
- Car hire.

(iii) Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants;
- Takeaways;
- Sandwich shops;
- Coffee shops;
- Pubs; and
- Bars.

(iv) Hereditaments which are being used as cinemas

(v) Hereditaments that are being used as live music venues:

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended);
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) that are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

H.18 The Council considers assembly and leisure to mean:

(i) Hereditaments that are being used for the provision of sport, leisure, and facilities to visiting members of the public (including for the viewing of such activities):

- Sports grounds and clubs;
- Museums and art galleries;
- Nightclubs;
- Sport and leisure facilities;
- Stately homes and historic houses;
- Theatres;
- Tourist attractions;
- Gyms;
- Wellness centres, spas, massage parlours; and
- Casinos, gambling clubs and bingo halls.

(ii) Hereditaments that are being used for the assembly of visiting members of the public:

- Public halls; and
- Clubhouses, clubs, and institutions.

H.19 The Council considers hotels, guest & boarding premises, and self-catering accommodation to mean:

(i) Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, guest, and boarding houses;
- Holiday homes; and
- Caravan parks and sites.

H.20 To qualify for the relief, the hereditament should be wholly or mainly being used for the above qualifying purposes. This is a test on use rather than occupation, therefore hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

H.21 The lists set out above are not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes.

Ineligible uses

H.22 The lists below set out the types of uses that the government **does not** consider to be an eligible use for the purpose of this discount.

(i) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g., banks, building societies, cash points, bureaux de change, short-term loan providers, betting shops);
- Medical services (e.g., vets, dentists, doctors, osteopaths, chiropractors);
- Professional services (e.g., solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents); and
- Post office sorting offices.

(ii) Hereditaments that are not reasonably accessible to visiting members of the public

Retail, Hospitality and Leisure Business Rates Scheme (2022/23) - the Council's policy for granting discretionary relief.

H.23 Over the past few years, a number of schemes have been led by government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

H.24 In the case of Retail, Hospitality and Leisure Business Rates Relief scheme, the Council will grant the relief strictly in accordance with government guidance.

Effect on the Council's Finances

H.25 As this is a government led initiative, grants for the full amount awarded will be available through section 31 of the Local Government Act 2003.

Appendix I

Retail Hospitality and Leisure Relief Scheme (2023/24)

General Explanation

- I.1. At the Autumn Statement on 17 November 2022 the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality, and leisure properties worth around £2.1 billion in 2023/24. This will support the businesses that make our high streets and town centres a success and help them to evolve and adapt to changing consumer demands.
- I.2 The 2023/24 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.

How will the relief be provided?

- I.3 As this is a temporary measure for 2023/24, Government is not changing the legislation relating to the reliefs available to properties. Instead, Government will, in line with the eligibility criteria set out in this guidance, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for the Council to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- I.3 Government will fully reimburse the Council and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in this guidance, using a grant under section 31 of the Local Government Act 2003.
- I.4 The government expects the Council to apply and grant relief to qualifying ratepayers from the start of the 2023/24 billing year.

Which properties will benefit from relief?

- I.5 Hereditaments which benefit from the relief will be those which for a chargeable day in 2023/24:
- (a) meet the eligibility criteria; and
 - (b) the ratepayer for that chargeable day has not refused the relief for the eligible hereditament. The ratepayer may refuse the relief for each eligible hereditament anytime up to 30 April 2024. The ratepayer cannot subsequently withdraw their refusal for either all or part of the financial year.
- I.6 The Council has decided that, for the purposes of section 47 of the 1988 Act, hereditaments where the ratepayer has refused the relief are outside of the scheme and outside of the scope of the decision of which hereditaments qualify for the discount and are therefore ineligible for the relief.
- I.7 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to themselves or precepting authorities

How much relief will be available?

- I.8 Subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2023/24 under this scheme is for chargeable days from 1 April 2023 to 31 March 2024, 75% of the chargeable amount.
- I.9 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where the Council has used its wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants. However, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable relief etc.) will be applied first in the sequence of discretionary reliefs and, therefore, before Retail, Hospitality and Leisure relief. Authorities may use their discretionary powers to, at cost to themselves, offer further discounts outside this scheme or additional relief to hereditaments within the scheme. However, where the Council applies a locally funded relief under section 47, this will be applied after the Retail, Hospitality and Leisure relief.
- I.10 The ordering **will** be applied in following sequence:
- Transitional Relief
 - Mandatory Reliefs (as determined in legislation)
 - S.47 Discretionary Relief in the following order:
 - (i) 2023 Supporting Small Business (SSB);
 - (ii) Former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable, CASC, rural top up, and not for profit) will be applied first in the sequence of discretionary reliefs, after SSB;
 - (iii) Other discretionary (centrally funded);
 - (iv) 2023/24 Retail Hospitality and Leisure relief scheme; and
 - (v) Other locally funded schemes (such as section 49 hardship).
- I.11 Subject to the cash cap, the eligibility for the discount and the relief itself will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2023/24:
- Amount of relief to be granted = $V \times 0.75$ where:
 - V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any certain other discretionary reliefs in line with 5.3 above.
- I.12 This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
- I.13 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap, per business.

The Cash Cap and Subsidy Control

- I.14 Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.

- I.15 Where a ratepayer has a qualifying connection with another ratepayer, then those ratepayers will be considered as one ratepayer for the purposes of the cash caps. A ratepayer shall be treated as having a qualifying connection with another:
- (a) where both ratepayers are companies, and
 - (i) one is a subsidiary of the other, or
 - (ii) both are subsidiaries of the same company; or
 - (b) where only one ratepayer is a company, the other ratepayer (the "second ratepayer") has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.
- I.16 The Retail Hospitality and Leisure Scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- I.17 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2023/24 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. Expanded Retail Discount granted in 2021/22 does not count towards the £315,000 allowance but BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement will be counted.
- I.18 In those cases, where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit, then the Council will automatically withhold the relief.
- I.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

Splits, mergers, and changes to existing hereditaments

- I.20 The relief will be applied on a day-to-day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, will be considered afresh for the relief on that day.

Recalculations of relief

- I.21 The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
- I.22 Under regulations made under section 47 of the Local Government Finance Act 1988 the Council must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would

be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions to ensure the scheme is administered in accordance with the extant rules. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

Eligibility for the Retail, Hospitality and Leisure Relief Scheme

I.23 The Council uses the following definitions to establish eligibility for the relief:

Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:

- they are wholly or mainly being used:
 - (i) as shops, restaurants, cafes, drinking establishments, cinemas, or live music venues,
 - (ii) for assembly and leisure; or
 - (iii) as hotels, guest & boarding premises, or self-catering accommodation

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g., for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors

- Photo processing
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bar

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g., the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g., because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music.

vi. Hereditaments that are being used for the provision of sport, leisure, and facilities to visiting members of the public (including for the viewing of such activities).

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

vii. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls

- Clubhouses, clubs, and institutions

viii. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest, and Boarding Houses
- Holiday homes
- Caravan parks and sites

I.24 To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

I.25 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes.

Hereditaments that are being used for the provision of the following services to visiting members of the public:

- I.26 The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount. Again, it is for the Council to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them **not** eligible for the discount under their local scheme:
- Financial services (e.g., banks, building societies, cash points, bureaux de change, short-term loan providers, betting shops);
 - Medical services (e.g., vets, dentists, doctors, osteopaths, chiropractors);
 - Professional services (e.g., solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents); and
 - Post office sorting offices.

Retail Hospitality and Leisure Business Rates Scheme (2023/24) - the Council's policy for granting discretionary relief.

I.27 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix J

Section 49 - Hardship Relief

Section 49 – Hardship Relief

General explanation

- J.1 The Council is able to exercise its discretion under Section 49 of the Local Government Finance Act 1988 to provide either partial or full relief for non-domestic rate payments in cases of hardship where it would be reasonable to do so having due regard to the interests of council tax payers in general.

Section 49 Hardship Relief – the Council's Policy

- J.2 The Council will consider applications for hardship relief from individuals and organisations based on their own merits on a case-by-case basis. The Lead Specialist – Service Delivery will consider applications. Application forms are available at the following links:

- [General Discretionary application form](#)
- [Hardship Discretionary additional questions](#)

- J.3 In making decisions on whether to award the relief the Council takes into account the following criteria (not listed in any priority):

- Any reduction or remission of rates on the grounds of hardship should be the exception rather than the rule;
- Any reduction of the rates must be shown to be significant to the future viability of the business;
- The business must continue to trade;
- Cash flow forecasts for a minimum of the next twelve months must be provided together with a comprehensive Business Plan incorporating a brief history of the business;
- The test of "hardship" is not strictly confined to financial hardship and that this, in itself, is not a deciding factor;
- The loss of the business would reduce amenities of an area if it is the sole provider of a service in the area;
- The loss of the business would worsen the employment prospects in the area;
- The interests of the Council Tax payers of the area would be best served by awarding the relief;
- The business must demonstrate how it is beneficial to the local community and why it is currently suffering financial hardship;
- The business provides employment to local residents in an area where employment opportunities are limited;
- Independent advice given by banks or financial advisors should be sought to demonstrate the future viability of the business;
- Applications will only be considered where signed by the ratepayer, or, where an organisation is the ratepayer, an appropriately authorised representative of the organisation; and
- The ratepayer will provide additional information as deemed necessary by the Council to be essential in order for a fair evaluation of the application.



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

**to
COUNCIL
22 FEBRUARY 2023**

DISTRICT AND PARISH COUNCIL ELECTIONS – 4 MAY 2023 – POLLING STATIONS

1. PURPOSE OF THE REPORT

- 1.1 To delegate authority to the Council's Returning Officer to decide on an alternative polling station at the forthcoming elections in May 2023, in the event of any designated venues not being available for use.
- 1.2 To request approval for change of location for polling stations in Heybridge (East), Maldon (East) and Mayland.

2. RECOMMENDATIONS

- (i) That for the elections being held on 4 May 2023, the Council delegates authority to the Returning Officer to decide on suitable alternative venues, should any designated polling stations become unavailable.
- (ii) To approve the changes as detailed in paragraphs 3.4, 3.5 and 3.6 below.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council has a duty under the Representation of the People Act 1983 (RPA 1983) to designate Polling Places for each Polling District.
- 3.2 The Council also has a duty under Schedule A1 to the RPA 1983 to review polling places every five years and the last review took place in 2019. The next one is due to be completed by January 2025.
- 3.3 For the May 2021 elections Heybridge Swifts Football Club was used instead of Heybridge County Primary School, as the school could not accommodate us at that time and Maldon Stadium was used instead of the Dance Studio at Blackwater Leisure Centre as the venue provided more space needed at that time.
- 3.4 You will recall that we used a different Polling Place for the Essex County Council elections, the Police, Fire and Crime Commissioner election, as well as the Heybridge (East) by-election, since the school could not accommodate us on Polling day. We approached Heybridge Swifts Football Club and they agreed that we could use their Club House. The accommodation is better placed in terms of location and being able to set up two Polling Stations, instead of just one, because of the space. No complaints were received relating to the change of Polling Station. It will be useful to have the extra space, to assist with the new regulations regarding the need for Voters to show a form of ID before they can be given a ballot paper.

- 3.5 With regard to the Maldon (East) Polling Station, we agreed to use the Maldon Stadium, instead of the Dance Studio at Blackwater Leisure Centre, since the Stadium had more space, more car parking and direct access, whereas the Dance Studio did not, with voters having to go around the Leisure Centre to get to the Polling Station at the back. The other alternative was for Electors to go through the main entrance, via the turnstiles and then having to navigate the through to the back. It would be useful to have the extra space, to assist with the new regulations regarding the need for Voters to show a form of ID before they can be given a ballot paper.
- 3.6 With regard to the Mayland Polling Station, this was designated as Lawling Park Hall, due to Henry Samuel Hall, undergoing renovations. These have now been completed and the proposal is to return to Henry Samuel Hall as this is within the Polling District.

4. CONCLUSION

- 4.1 We must ensure that all electors are able to cast their vote on polling day and know as soon as possible the polling station venue, if that differs from the normal designated venue, or has been changed to a more suitable alternative going forward.

5. IMPACT ON STRATEGIC THEMES

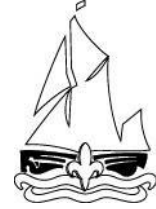
- 5.1 None.

6. IMPLICATIONS

- (i) **Impact on Customers** – We must ensure that the elections are concluded in accordance with the election timetables.
- (ii) **Impact on Equalities** – If necessary, it is important that we provide stations which are accessible to everyone.
- (iii) **Impact on Risk** – We could be challenged if we do not provide a polling station for its purpose.
- (iv) **Impact on Resources (financial)** – A different venue may result in a different hire fee.
- (v) **Impact on Resources (human)** – No effect.
- (vi) **Impact on the Environment** – No effect.
- (vii) **Impact on Strengthening Communities** – Ensuring those who can vote, are able to do so.

Background Papers: None.

Enquiries to: Paul Dodson, Director of Strategy, Performance and Governance and appointed Returning Officer.



REPORT of MONITORING OFFICER

to
COUNCIL
22 FEBRUARY 2023

APPROVAL OF ABSENCE RELATING TO MEMBER

1. PURPOSE OF THE REPORT

- 1.1 To consider whether the absence of Councillor Brian S Beale MBE should be approved if he is absent for six months from Council meetings.

2. RECOMMENDATION

That the Council considers whether the absence of Councillor Brian Beale MBE should be approved so that he continues in office to the forthcoming May elections despite being absent from Council meetings more than six consecutive months.

3. SUMMARY OF KEY ISSUES

- 3.1 The Local Government Act 1972 section 85 states:

“if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.”

- 3.2 Councillor Beale attended a Council meeting on 8 September 2022 and has been unable to attend since due unavoidable personal circumstances. Should Councillor Beale not attend a Council or Committee meeting by 7 March 2023 he will automatically lose his seat and the Southminster ward would lose one of its representatives up to the May election.

4. CONCLUSION

- 4.1 The Council has the discretion to approve Councillor Beale's absence.

5. IMPACT ON STRATEGIC THEMES

- 5.1 None.

6. IMPLICATIONS

- (i) **Impact on Customers** – Could be a weakening of democratic representation for Southminster ward.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers: None.

Enquiries to: Simon Quelch, Monitoring Officer.



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

**to
COUNCIL
22 FEBRUARY 2023**

CORPORATE PLAN DRAFT 2023 - 2027

1. PURPOSE OF THE REPORT

- 1.1 At the Strategy and Resources Committee on the 26 January 2023 a Motion was approved by Members. The Motion agreed that Officers bring forward a draft Corporate Plan for the period of 2023-2027, in line with 2023 / 24 budget reporting to the Council.

2. RECOMMENDATIONS

- (i) That Members approve the Corporate Plan 2023-2027 attached at **APPENDIX 1**;
- (ii) That to ensure the Council achieves strategy through to delivery, Members also support recommended next steps. They include:
 - For Service Plans 2023 / 24 to be approved by the Corporate Leadership Team end of April.
 - For a review of Key Performance Indicators to take place in June.

3. SUMMARY OF KEY ISSUES

- 3.1 Following an agreed motion brought to the Strategy and Resource Committee on 26 January 2023, the Corporate Plan 2023 - 2027 work accelerated.
- 3.2 The Motion proposed that the Corporate Plan 2023-2027 should be reported in line with 2023 / 24 Budget reporting.

4. RESOURCING

- 4.1 The proposed 2023 / 24 budget presented to the Strategy and Resources Committee on 26 January 2023 maintains services to enable the delivery of the Corporate Plan 2023-2027.
- 4.2 Page 11 (Strategy Through to Delivery) outlines how resources will be managed and reported over the period of the Plan.
- 4.3 A service-by-service review is being undertaken to ensure that finances remain stable and allows resourcing decisions to be based on the corporate priorities.

5. CONCLUSION

- 5.1 The Corporate Plan sets out the Council's vision, priorities, and approach to delivery for the next four-year period.
- 5.2 It enables Service Plans to align statutory, non-statutory, projects and resource to the Council's priorities.
- 5.3 It gives meaning to the SMART (Specific, Measurable, Achievable, Realistic and Timely) objectives our staff set with their manager each year.
- 5.4 It provides a supporting narrative for future funding bids.
- 5.5 The Corporate Plan is aligned to the resource allocations in the 2023-2024 Budget report.

6. IMPACT ON STRATEGIC THEMES

- 6.1 The strategic themes will be aligned to the Corporate Plan and will continue to performance report quarterly.

7. IMPLICATIONS

- (i) **Impact on Customers** –The Corporate Plan provides sets out that this authority continues to focus on resident's needs. It also sets our 'Delivering Good Quality Services' as a priority and details what will be achieved and how.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – The introduction of 'Strategy through to Delivery' aims to reduce operational by ensuring all resources challenges and issues are flagged via monthly highlight reporting to the Corporate Leadership Team.
- (iv) **Impact on Resources (financial)** – The Corporate Plan will shape how resources are allocated.
- (v) **Impact on Resources (human)** – No additional resources required.
- (vi) **Impact on the Environment** – The Corporate Plan sets out the Priority of 'A Greener Future' this supports the delivering of the Council's Climate Action Strategy "Our Home, Our Future". Therefore, the Corporate Plan acts as a strategic enabler for Climate Action based partnership work, funding bids, and helps to set Climate Action specific SMART objectives.
- (vii) **Impact on Strengthening Communities** – The Corporate Plan sets out a priority "Supporting our Communities" and details what we wish to achieve and how. The Corporate Plan is a strategic enabler for community partnership work, community related funding bids, and helps to set community specific SMART objectives.

Background Papers: None

Enquiries to: Georgina Button, Strategy, Policy and Communications Manager.

MALDON DISTRICT

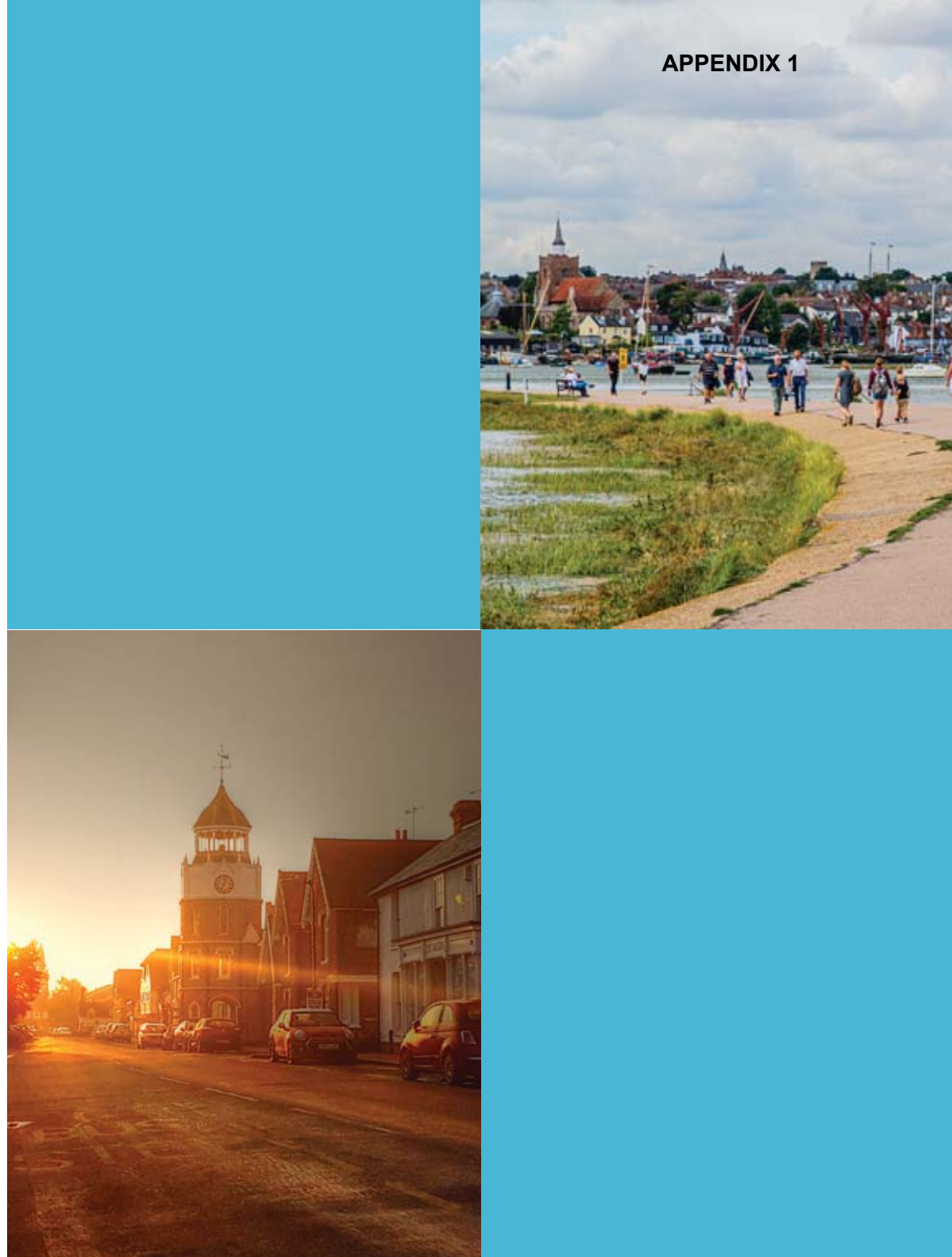


CORPORATE PLAN 2023-2027

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"Where Quality of Life Matters"

maldon.gov.uk/corporateplan





"WHERE QUALITY OF LIFE MATTERS"

BURNHAM-ON-CROUCH - AERIAL ESSEX

Corporate Plan 2023-2027

APPENDIX 1



Foreword

We want to look forward and wish to focus everyone's thoughts on the challenges we all face due to the increased cost of living, the additional financial pressures on this authority and on all public services. With these pressures must come opportunity and a renewed focus.

We can't just simply blame everything on lack of funds. We must ensure our approaches, behaviours, and governance act as positive enablers and not as barriers that prevent us from doing the right thing. We often forget to look back and recognise that we do things now for less money, with better outcomes.

This Corporate Plan puts quality of life at the heart of everything we do. Our six priorities all focus on improving services and outcomes and will help to promote the district as a great place to work, live and enjoy.

As a small local authority being commercially driven and prioritising what can be delivered will always present tough decisions that must be balanced against budgets, demand for services, and capacity to deliver. Through our One Team approach we continue to strive to do more than the minimum.

We are proud of the One Maldon District local partnership, our climate action work, and our focused plans to support our local businesses and tourism. We look forward to seeing what we can achieve with our communities and businesses in the years ahead.

To really add value, we must first ensure that our core services are being delivered effectively and efficiently, and that we continue to focus on our finances, delivering a balanced budget for the coming years. We continue to seek opportunities with other authorities and local partner agencies to identify where services can be shared, something that is becoming common practice for all financially pressured local authorities.

We are passionate about improving quality of life and social value. Achieving this will be through our fantastic partnership working, the joined-up way we deliver our services and by taking every opportunity to build social value into everything we do.

In addition to this, we also want to put a spotlight on the Government selecting the district as a Priority 1 level area for Levelling Up. We are committed to delivering our £1 million UK Shared Prosperity Investment Plan and will continue our efforts to secure funding. All funding we successfully secure for the district is going to help bring forward investment and exciting projects that achieve greater outcomes for our people, place, and communities.

Leader of Maldon District Council
Corporate Leadership Team

Corporate Plan 2023-2027

APPENDIX 1



Our vision

To be a sustainable council, promoting growth and investment at every opportunity. To support our communities through excellent partnership working and to maintain and improve quality of life.

Page 330

Our priorities

- Supporting our communities
- Enhancing and connecting our place
- Helping the economy to thrive
- Smarter finances
- A greener future
- Provide good quality services.

How we will deliver

We are committed to running a local authority that puts residents first, is a great place to work, providing quality services whilst working in partnership to support communities. To deliver this plan, we will build on good practice and continue to:

Focus on the needs of our residents

Make best use of resources

Adopt modern and efficient ways of working

Be digitally efficient

Deliver commercial projects and be commercially focused

Strengthen our partnership working to benefit the district

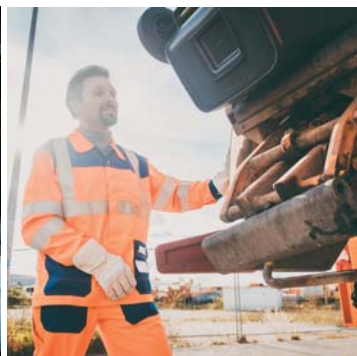
Strive to be modern and innovative

Champion our Core Values as they set our culture and behaviours and support the welfare of our Staff and Councillors

As a smaller local authority in the county, we will lobby for infrastructure and state our case

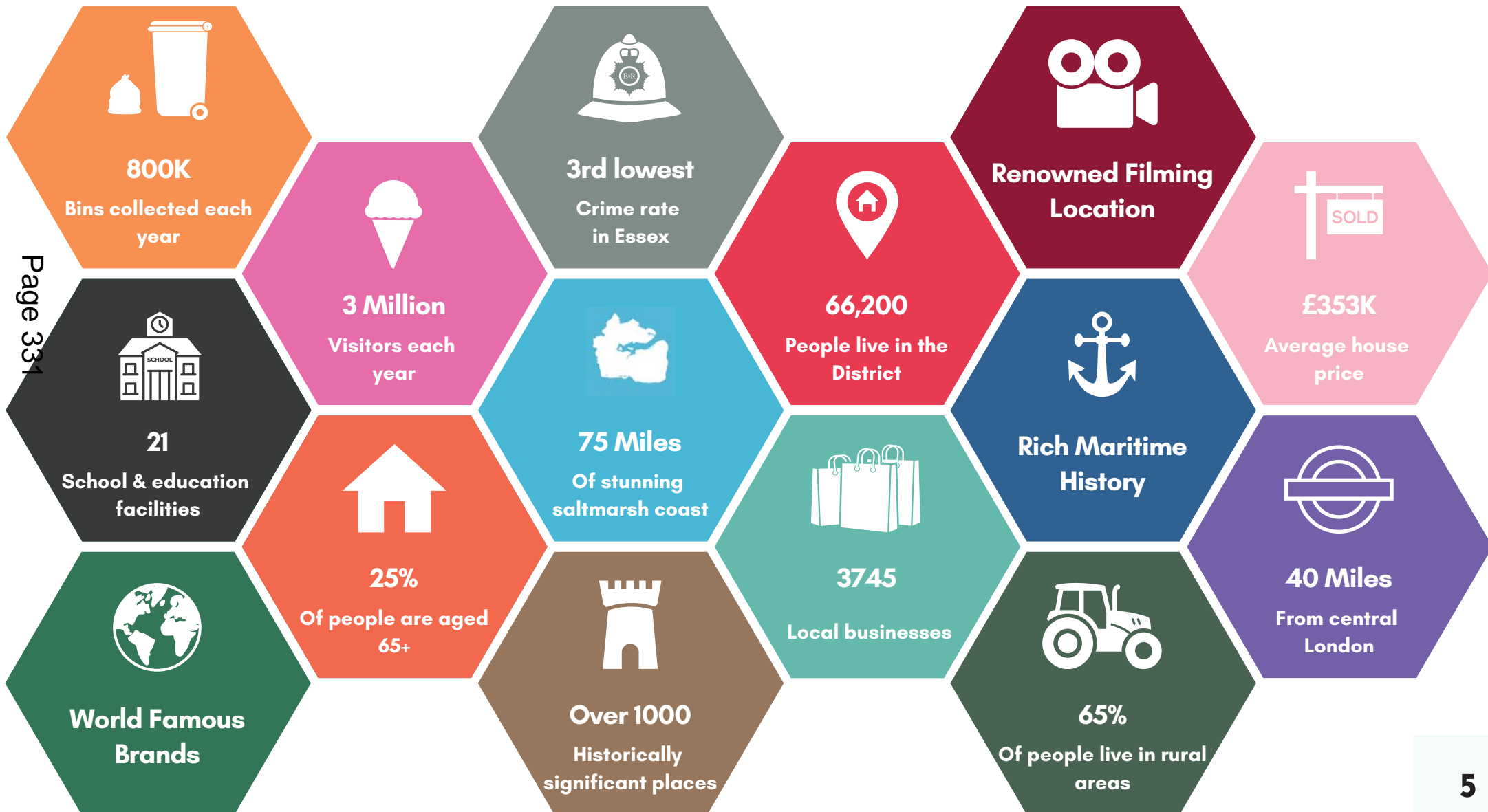
Bid for funding

Be more visible and promote the good work we do.



Our Maldon District

APPENDIX 1



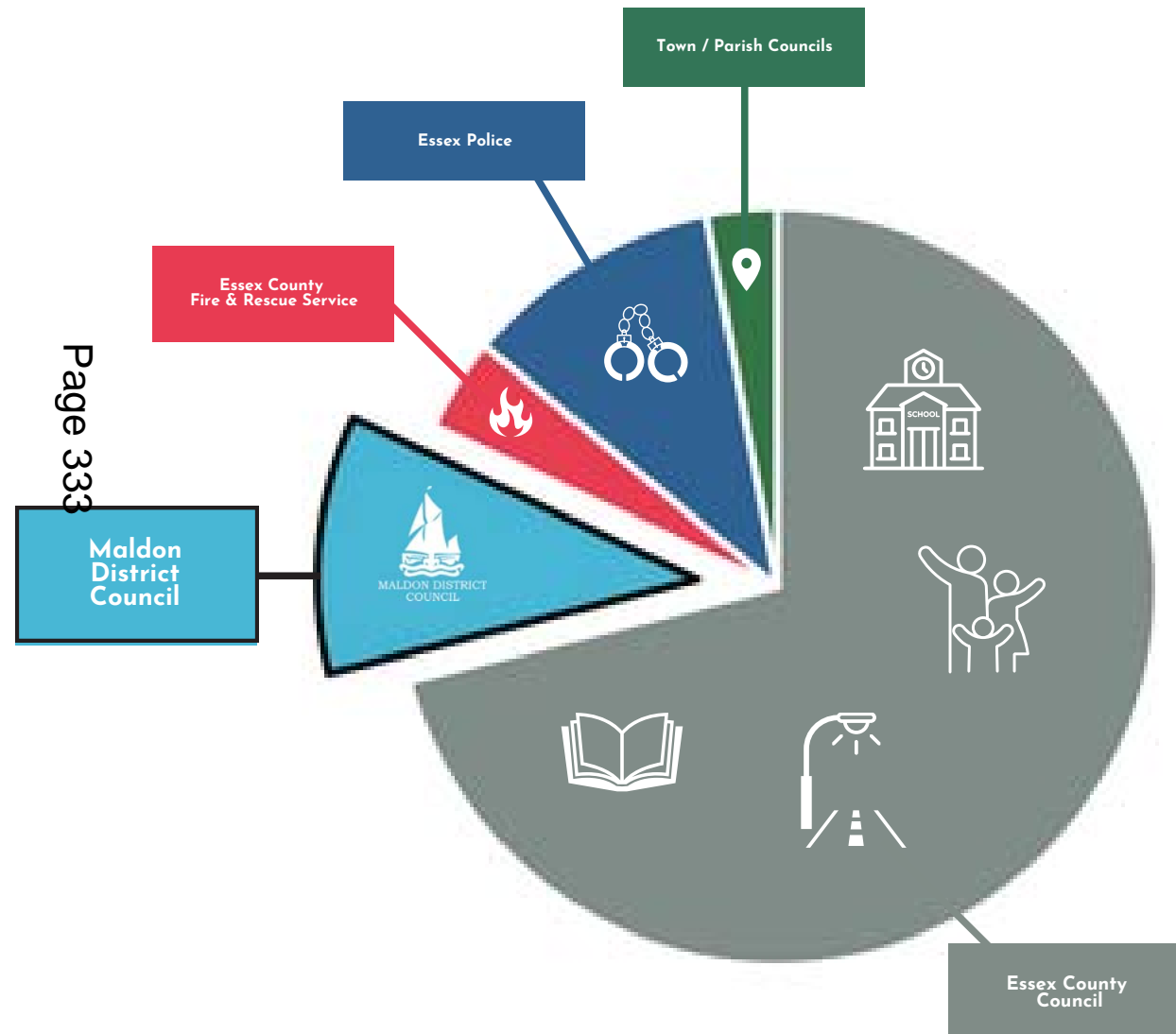


"WHERE QUALITY OF LIFE MATTERS"

TOLLESBURY - AERIAL ESSEX

How your Council Tax is spent

APPENDIX 1



For every pound that you pay in Council tax, just **11p** is given to **Maldon District Council** and pays for:

- Refuse collections
- Street cleansing
- Planning
- Leisure services
- Parks and community facilities.

The other **89p** is given to public services provided by **Essex County Council (ECC)**, **Essex Police**, **Essex County Fire & Rescue Service**, and **Parishes and Town Councils**.

The above information is based on 2022/2023 charges and will be updated when 2023/2024 data is published.

Challenges facing the District

APPENDIX 1



Infrastructure and Key Services

The district has the highest travel time in Essex to reach key services, including, GPs, hospitals, primary schools, and food stores.

Local transport links and public transport routes need improvement to connect the district and maintain equality of opportunity.



30 minute average travel time (Essex average is 21 minutes)

Health and Care

Many residents are in good health with life expectancy higher than the England average. However, the prevalence of certain health conditions, mental health, high levels of obesity and suicide rates highlights that we need to do more.

We will actively work with partners as part of the Mid Essex Alliance and One Maldon District to respond to these challenges.



26.0% of reception age children are obese

Economy and Housing

The District has the 4th highest workplace housing affordability ratio in Essex at 13.2 (Median house price in an area divided by median place-of-work income. Higher values mean the area is less affordable). The district needs more homes to meet the demand of our growing population and government targets, including affordable homes and temporary housing. The district also needs to have sufficient commercial land. All development in the district needs to balance protection of our countryside and natural environment, support regeneration and enable new houses to be well designed, carbon and energy efficient.



353K average house price

Resource Constraints

Following a decade of cuts to public funding, resources are expected to remain constrained throughout the timeframe of this plan. In times of crisis, local authorities are put under immense pressure to deliver 'last minute' and are at risk of burnout. As a small authority our resilience is constantly being stress tested. A one-off event can be a huge demand on capacity and resilience.

Inflation has meant that Core Spending Power has reduced by over 20%, excluding Council Tax, in the last 8 years. Further 'one year' Local Government Settlements means future funding remains uncertain.



Core spending power down by 20%

Climate Emergency

The effects of climate change are one of the biggest challenges of our time. In 2021, we declared a Climate Emergency and committed to being a carbon neutral district by 2030.

Flooding in Essex is set to double by 2040, impacting 75,000 homes.

Our Home, Our Future' climate action strategy outlines the steps and measures we are taking to tackle this crisis and embed sustainability in everything we do.



54% of working age people commute by car

Crisis Response and Recovery

Our response to and recovery from crisis has created enormous challenges within the district. The Cost of Living crisis is ongoing and we are seeing an increase in demand for foodbanks and difficulties in paying bills. 360 residents were supported by the Emergency Storage Container between January 2022 - January 2023.

It has also accelerated economic, social, and organisational change that we must recognise and respond to when shaping our services to best help our communities.



29% of homes are at risk of fuel poverty

Digital Connectivity

Our district has the 4th lowest broadband speed in Essex. Average download speed of 68.4 Mbps.

We recognise that digital connectivity is essential to enable residents to fully participate in an increasingly digital society. Therefore, we will continue to work with our partners to make sure as many homes and businesses across the district have improved broadband speeds and we help deliver the Essex Digital Strategy to improve inclusion.



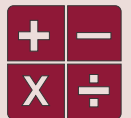
96.7% Superfast coverage (30Mbps)

Skills and Education

Our district has historically lower than average levels of achievement of NVQ level 2 and above qualifications.

The adult workforce is lower skilled, this is compounded by a lack of educational provision in the district.

The district has low levels of Key Stage 4 achieving 9-4 in English and Maths in 2019 (57.8%), the 4th lowest in Essex. The is below the regional and national average.



Low levels of KS4 9-4 in Maths & English (57.8%)



"WHERE QUALITY OF LIFE MATTERS"

BEELEIGH - MISCHA HALLER

Our Guiding Principles



We are committed to running an organisation that puts our customers first, delivers value for money, and works with our communities. We will underpin our work with our guiding principles to ensure we operate good standards and effective processes.



Finance & Income

We will effectively use our financial resources and approach to procurement and risk management to deliver value for money.

We will continue to seek funding, deliver commercial activities to generate income and maximise the potential of our assets to help achieve our priorities.



Performance

We will hold ourselves and our delivery partners to account for service performance, whilst delivering good project management.

We will improve our understanding of how the delivery of our services effect our ability to have positive relationships with our local businesses.



Meaningful engagement

We will engage with our residents, businesses, delivery partners and staff to deliver our priorities and inform the work we do.

We will promote the good work we do.



Technology

We will utilise modern and collaborative tools to efficiently work together, deliver accessible services and reduce our carbon footprint.



Governance

We will deliver robust corporate and political governance framework for sound decision-making.



Our workforce

We will provide a hybrid working environment offering work-life balance alongside opportunities to learn and develop to attract and retain talented staff.

We will embed a positive and inclusive culture.

Strategy through to delivery

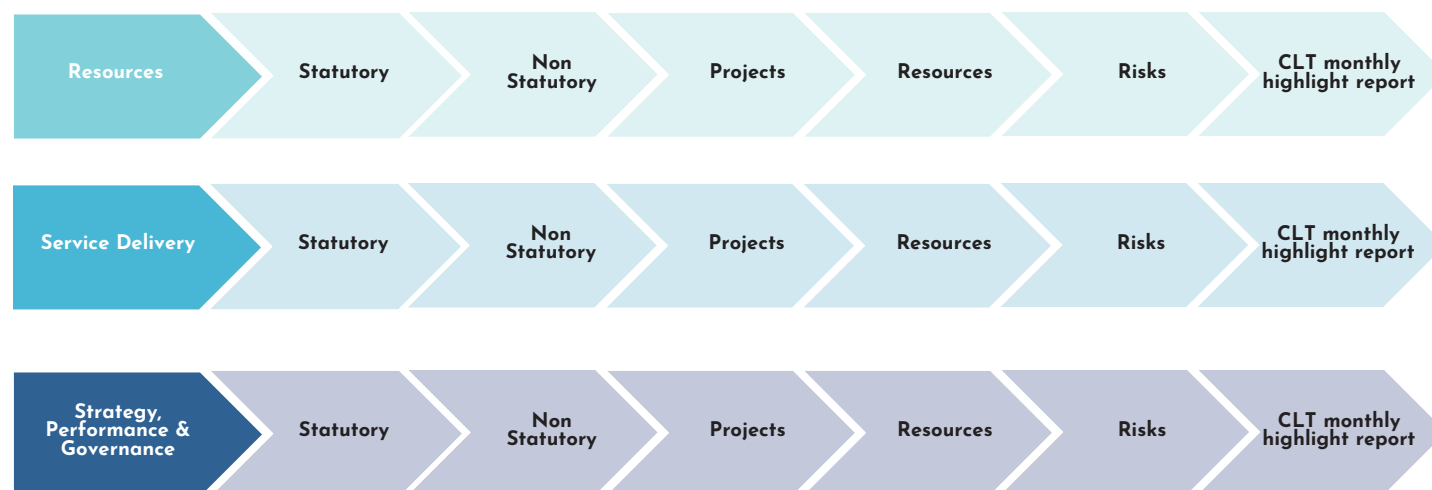


We will evidence that we are achieving our priorities by linking what we do through our golden thread and performance reporting framework. This enables our organisation to take our strategy through to delivery. Our Corporate Plan sets out our evidence-based priorities and our approach to delivery. Our annual Service plans set out the statutory, non-statutory activities and projects to be delivered in the reporting fiscal year. It also sets out the resources in place to deliver the work.

Each month, Service Plan highlight reports will be submitted to the Corporate Leadership Team to present progress and to set out opportunities, risks and challenges that could impact delivery and to seek decision making and guidance.

The data and progress updates from Service Plans will inform our quarterly performance reporting. Quarterly performance reporting already adapts and monitors existing and new key performance indicators. We will ensure all staff have objectives (SMART objectives) that specifically sets out their work and these are aligned to the priorities in the Corporate Plan.

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DELIVERING OUR PRIORITIES

"WHERE QUALITY OF LIFE MATTERS"

BLACKWATER ESTUARY - AERIAL ESSEX

Supporting our communities

APPENDIX 1



What we want to achieve

- Better quality of life
- Keep people safe
- Improve health, inclusion, happiness and reduce isolation
- Give our younger people a voice
- Improve access to services and housing
- Be a social value champion.

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How we will do this

- Deliver One Maldon District, multi-agency partnership action plan
- Roll-out health and wellbeing initiatives, and alliance funding
- Provide opportunities for communities to come together and enable them to help themselves through an asset-based community development approach
- Launch a youth engagement initiative
- Develop a social value policy and demonstrate where it is making a difference
- Work with housing partners to find solutions in a time of housing shortage.





"WHERE QUALITY OF LIFE MATTERS"

GOLDHANGER - MISCHA HALLER

Enhancing and connecting our place

APPENDIX 1



What we want to achieve

- Make our assets work better for us
- Sustainable growth and development
- Promote civic pride in place and improve environmental quality
- Deliver housing need
- Improve ways to travel sustainably
- Levelling Up funding as Priority 1 authority
- Actively lobby for infrastructure
- Improved digital connectivity and inclusion.

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How we will do this

- Utilise our assets to improve our place
- Help deliver a District Future Transport Strategy – Led by ECC
- Work with partners to deliver sustainable transport and active travel options
- Effective negotiation and use of developer contributions
- Deliver Green Infrastructure projects
- Deliver UK Shared Prosperity Fund Investment Plan
- Bid for Levelling Up funding
- Work in partnership with Digital Essex
- Through an updated Local Development Plan to deliver sustainable development.





"WHERE QUALITY OF LIFE MATTERS"

HEYBRIDGE BASIN - AERIAL ESSEX

Helping the economy to thrive

APPENDIX 1



What we want to achieve

- Attract new businesses to locate, grow and thrive across the district
- Promote the district as a quality and inclusive tourism destination
- Support growth, sustainability and skills generation
- Help high streets and rural businesses to adapt to challenges.



How we will do this

- The Supporting Local Business programme
- Place marketing and promotion of Investment Prospectus
- Offer grants, training, and support schemes to local businesses and residents
- Deliver UK Shared Prosperity Fund Investment plan
- Through the tourism group T23, we will identify opportunities for tourism.





"WHERE QUALITY OF LIFE MATTERS"

BRADWELL-ON-SEA - MISCHA HALLER



What we want to achieve

- Set out a robust Medium Term Finance Strategy
- Deliver projects in the Commercial Strategy
- Seek out shared services opportunities
- Sustainable expenditure
- Make prudent investments
- Be digitally efficient
- Modern and effective procurement.

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How we will do this

- Align resources to priorities
- Ensure revenue and capital remain balanced and stable over the next 4-year Corporate Plan period
- Ensure service plans highlight any finance opportunities or challenges
- Review individual service expenditure
- Maintain an up to date Medium Term Finance Strategy
- Rigorously manage risk
- Continue to have good governance arrangements in place
- Where possible, provide services without the use of reserves
- Enable the delivery of commercial projects to help achieve income generation.





"WHERE QUALITY OF LIFE MATTERS"

MAYLANDSEA - AERIAL ESSEX

A greener future

APPENDIX 1



What we want to achieve

- To show nature we care
- Help people kick the car habit
- Create less waste
- Be an authority that leads by example
- Develop a strong policy commitment to climate action.

How we will do this

- Delivery of Climate Action Annual Plan
- Help communities take-action
- Embed a Climate Action Culture as a Council
- Train staff and Members to become 'Carbon Literate'
- Generate a community of Climate Action Friends
- Support the ECC's Climate Action Commission
- Lobby for Electric Vehicle funding and support roll-out of ECC's Electric Vehicle Strategy
- Work with ECC to launch sustainable transport options
- Include green options when purchasing goods and services
- Commission a net zero roadmap.





"WHERE QUALITY OF LIFE MATTERS"

NORTH FAMBRIDGE - AERIAL ESSEX

Provide good quality services

APPENDIX 1



What we want to achieve

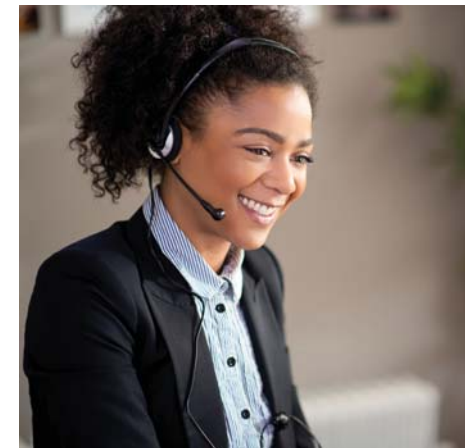
- An updated Customer Strategy
- Deliver accessible services
- Early intervention for our most vulnerable people
- To be inclusive and fair
- Get things right, first time
- Improved processes that improve efficiency
- Ensure value for money.



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How we will do this

- Deliver our Customer Commitments
- Continuously listen and strive to improve
- Be digital first, but meet needs of all customers
- Give help and support to our residents by working well with our local partners
- Effective and efficient management of services and performance through our service plans and scorecards.





"WHERE QUALITY OF LIFE MATTERS"

ALTHORNE - AERIAL ESSEX

MALDON DISTRICT

CORPORATE PLAN 2023-2027

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"Where Quality of Life Matters"

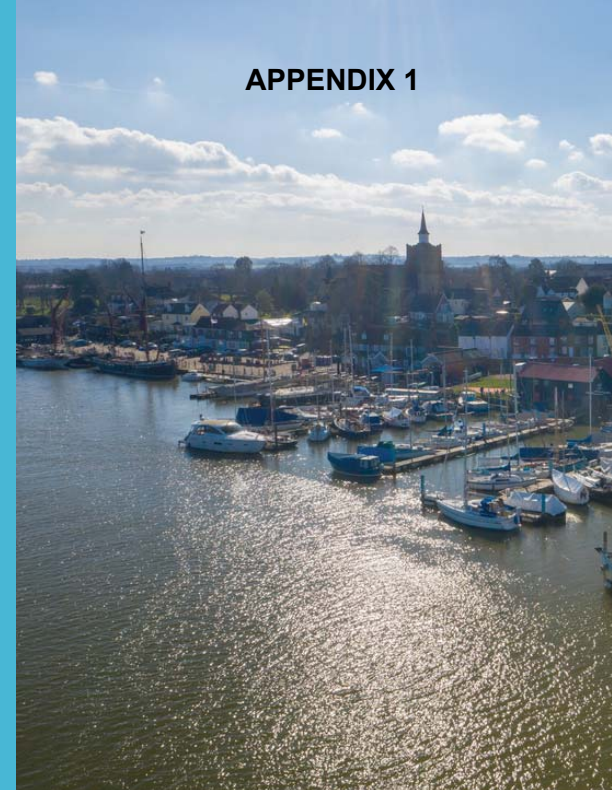


In partnership with One Maldon District

maldon.gov.uk/corporateplan



APPENDIX 1



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