

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

DIRECTOR OF STRATEGY AND
RESOURCES
Paul Dodson

17 July 2024

Dear Councillor

You are summoned to attend the meeting of the;

STRATEGY AND RESOURCES COMMITTEE

on **THURSDAY 25 JULY 2024 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 register your request to speak / attend in person please complete a [Public Access form](#) (to be submitted by 12noon on the working day before the Committee 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 and Resources

COMMITTEE MEMBERSHIP:

CHAIRPERSON	Councillor M F L Durham, CC
VICE-CHAIRPERSON	Councillor J Driver
COUNCILLORS	D O Bown A Fittock A S Fluker K M H Lagan A M Lay R H Siddall N D Spenceley W Stamp, CC M E Thompson





AGENDA STRATEGY AND RESOURCES COMMITTEE

THURSDAY 25 JULY 2024

1. **Chairperson's Notices**

2. **Apologies for Absence**

3. **Minutes of the Last meeting** (Pages 5 - 36)

To consider the Minutes of the Strategy and Resources Committee held on 11 June 2024 (copy enclosed).

4. **Disclosure 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).

5. **Public Participation**

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

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

6. **Treasury Management Outturn 2023 - 24** (Pages 37 - 60)

To consider the report of the Chief Financial Officer (copy enclosed).

7. **Supplementary Estimates, Virements, Procurement Exemptions and Use of Reserves: 2023 / 24 Quarter 4 (! January - 31 March 2024)** (Pages 61 - 64)

To consider the report of the Chief Financial Officer (copy enclosed).

8. **HR Policy Update** (Pages 65 - 78)

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

9. **Any other items of business that the Chairperson of the Committee decides are urgent**

10. **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(s) of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

11. **Authority to Write off Irrecoverable Debt** (Pages 79 - 82)

To consider the report of the Chief Financial Officer (copy enclosed).

NOTICES

Recording of Meeting

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

Fire

We do not have any fire alarm testing scheduled for this meeting. In the event of a fire, a siren will sound. Please use either of the two marked fire escape routes. Once out of the building please proceed to the designated muster point located on the grass verge by the police station entrance. Please gather there and await further instruction. If you feel you may need assistance to evacuate the building, please make a member of Maldon District Council staff aware.

Health and Safety

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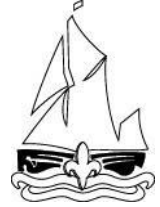
Closed-Circuit Televisions (CCTV)

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

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**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
13 JUNE 2024**

PRESENT

Chairperson	Councillor M F L Durham, CC
Vice-Chairperson	Councillor J Driver
Councillors	A Fittock, A S Fluker, K M H Lagan, A M Lay, R H Siddall, N D Spenceley, W Stamp, CC and M E Thompson
In attendance	Councillor(s) P L Spenceley and J C Stilts

88. CHAIRPERSON'S NOTICES

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

89. APOLOGIES FOR ABSENCE

There were none.

90. MINUTES OF THE LAST MEETING

RESOLVED

- (i) that the Minutes of the meeting of the Committee held on 14 March 2024 be received.

Minute No. 660 – Budgetary Control as at 31 December 2023

It was noted that reference to stake park on page 7 of the agenda pack should read *skate* park.

In response to a query regarding resolution (iv) of this Minute and the further detail requested in respect of the invest to save business case for the fixed-term IT Specialist role, the Chief Finance Officer confirmed that the information was still outstanding. It was agreed that this would be brought back to the next meeting of the Committee for noting.*

RESOLVED

- (ii) that subject to the above amendment the Minutes of the meeting of the Committee held on 14 March 2024 be confirmed.

*Postscript note: It was clarified later in the meeting that the IT Specialist Role was no longer required and therefore the funding would remain in the Transformation Reserve

(see Agenda Item 8 - Technology Strategy 2024 – 2027). Therefore, there was no need to report anything further back at the next meeting.

91. DISCLOSURE OF INTEREST

There were none.

92. PUBLIC PARTICIPATION

No requests had been received.

93. COUNCIL TAX EMPTY HOMES PREMIUM POLICY REVISION

The Committee considered the report of the Chief Finance Officer informing Members of a delay to legislative provisions to increase the period of time before which Council Tax premium would become payable in certain circumstances. The report also sought consideration of whether the previously agreed Policy on Empty Homes Premiums should be amended to enable these provisions to be applied locally in advance of legislation being made.

The report provided background information regarding the Council's prior agreement of the Empty Homes and Second Homes Premium Policy 2024 – 25 to enable the application of Council Tax premiums in respect of long-term empty homes after a period 12 months and from 1 April 2025 for second homes. At the time of approval Government guidance on exceptions to the premium was outstanding, this had since been received and the exceptions were set out in the report. A revised Policy was attached at Appendix A to the report.

In response to a question regarding the process followed when the Council received information about empty homes, the Assistant Director – Service Delivery outlined the process to confirm if a property constitutes an empty property, which included visits to the property if required and how once systems were updated this would automatically trigger the Council Tax premium at the appropriate time. She confirmed that the Council sought to deal with the receipt of such information as quickly as possible.

Councillor R H Siddall proposed that the recommendations set out in the report be agreed. This was duly seconded and agreed.

RECOMMENDED

- (i) That provision is made for an extension to the time before which a Council Tax premium becomes due in some limited circumstances, effective from 1 April 2024 until further guidance is issued or enabling legislation is made;
- (ii) that the revised Empty Homes and Second Homes Premium Policy 2024 - 25 at **APPENDIX 1** to these Minutes, be approved;
- (iii) that the Head of Revenues and Benefits be granted delegated authority, in consultation with the Chairperson of the Strategy and Resources Committee, to make further technical amendments, to reflect updated guidance, as necessary.

94. PROJECT AND IMPROVEMENT MANAGEMENT FRAMEWORK AND MALDON DISTRICT COUNCIL PRODUCTIVITY PLAN

The Committee considered the report of the Director of Strategy and Resources providing the Corporate Project Management Office (PMO) and Improvement Framework (the Framework), attached as Appendix 1 to the report, for review and adoption. As requested by the Department for Levelling Up, Housing and Communities (DLUHC) the report also provided a Productivity Plan (attached as Appendix 2) for review and adoption.

Members were advised of the recent requirement from the DLUHC that Councils produce Productivity Plans as part of the Local Government Finance Settlement and the report outlined the requirements for Productivity Plans.

The Council's Process Improvement Framework (Appendix 1) had been updated and built on learning and achievements of the last three years of activity of the previous Strategy. It also now included project management activity and contributing a staffing reduction. The Framework activity linked to the Data Management and Insight Strategy and Technology Strategy, which together then formed the basis for the Council's Productivity Plan (Appendix 2).

In response to a query regarding the appointment of Member Improvement Champions, the Assistant Director – Programmes, Performance and Governance confirmed that appointment of these Member champions was on an annual basis and would be sought from the Performance, Governance & Audit and Overview & Scrutiny Committees at their first meetings of the municipal year.

Councillor N D Spenceley proposed that the recommendations set out in the report be agreed. This was duly seconded and agreed. Councillor K M H Lagan asked that his dissent be noted.

RESOLVED

- (i) That the Project Management Office (PMO) and Improvement Strategic Framework (Appendix 1 to the report) be adopted;
- (ii) That the Committee approves the 'Productivity Plan' at Appendix 2 to the report and receives a six-monthly update on this going forwards.

95. TECHNOLOGY STRATEGY 2024 - 2027

The Committee considered the report of the Director of Strategy and Resources seeking the Council's approval of the Technology Strategy 2024 – 2027 (attached as Appendix 1 to the report) (the Strategy).

It was noted that the Technology Strategy defined how the Council would use technology and transform the way it worked digitally and would be a key component of the Council's Productivity Plan, an expectation of the Department for Levelling Up, Housing and Communities. The Strategy comprised of four priorities, set out in the report and aligned with the Council's Corporate Plan 2024 – 2027.

In response to a request for in depth Member training to assist Members in understanding technology, the Assistant Director – Resources advised that regular sessions were being held with Members prior to Council meetings. The Leader of the Council clarified that should Members wish these to take place at a different time this could be considered by the Member Training Working Group.

During the debate that ensued and in response to a number of questions and queries the following information was provided by Officers:

- the Assistant Director clarified that in respect of disposal of old IT equipment the Council's Policy required that such equipment was first offered to Parish / Town Councils, following this the Council would try to sell the equipment. She highlighted the cost of disposal to the Council as such devices required all data to be wiped prior to repurposing, however interest had been received from a local company which repurposed devices for schools.
- The Technology Strategy looked at the Council's resources and what it wanted to achieve within the lifetime of the Strategy, three years in the case of this document. The use of Artificial Intelligence was detailed within the Strategy, although Officers confirmed that future Strategies would build on this. The Leader advised that the Council was working in partnership with other Councils across Essex in terms of investing in technology and developing a shared approach.
- The Strategy would maintain current resources and budget with an aim to save and reduce budgets. It was noted that working in partnership with the Essex Digital Partnership would provide the Council with more capacity than if it was carrying out the work itself.

During the discussion the Chief Finance Officer referred back to the Minutes of the last meeting and Minute No. 660 – Budgetary Control as at 31 December 2023 and specifically resolution (iii) where the Committee agreed a drawdown from the Transformation Reserve for a two-year extension of a fixed-term IT specialist role. She reported that since that meeting it had been clarified that this role was no longer required and therefore, the investment requested was not required. The Director of Strategy and Resources apologised that this had not been reported back to Members.

Councillor R H Siddall proposed that the recommendation set out in the report be agreed. This was duly seconded and agreed.

RECOMMENDED that the Technology Strategy 2024 – 2027 (**APPENDIX 2** to these Minutes) be approved to replace the ICT Strategy 2021 – 2026 and run along the Corporate Plan 2024 – 2027.

96. PLANNING POLICY WORKING GROUP

Councillor K M H Lagan, Chairperson of the Planning Policy Working Group (the Working Group), presented the report of the Working Group, which provided an annual update on the work carried out by the Planning Policy Working Group during 2023 / 24. He reassured the Committee that the Working Group had, at its last meeting, discussed the involvement and input of more Members to ensure better input and understanding.

During the discussions that followed Councillor Lagan along with Officers provided the Committee with additional information which included:

- The Working Group had requested a more detailed plan on a regular basis.
- There were no direct actions points outstanding.
- New Policies were being written and the Leader confirmed it had been agreed that briefings would take place in the summer to ensure all Members were kept up to date with progress. The Director of Service Delivery advised that diary dates for these briefings would follow shortly.

- In response to a comment regarding pepper potting, Officers explained that the Council had previously decided not to do this. In respect of housing numbers and the Local Development Plan, it was confirmed that a briefing for Members would be arranged at the appropriate time.

During the discussions, Councillor W Stamp declared an interest as an Essex County Councillor.

The importance of regular updates and for Members to fully understand the process was noted.

Members were reminded that all agenda and Minutes of the Working Group were available to view via the Mod.Gov system.

RESOLVED that the content of the report be received.

97. **APPOINTMENT OF REPRESENTATIVES ON OUTSIDE BODIES AND WORKING GROUPS**

The Committee considered the report of the Director of Strategy and Resources to appoint to Outside Bodies and Working Groups of the Strategy and Resources Committee for the ensuing municipal year.

The Chairperson called for nominations and the following was agreed.

RESOLVED

- (i) That representatives of the Strategy and Resources Committee are appointed to the Outside Bodies as detailed below, for the ensuing Municipal Year;

Outside Body	2024 / 25 Representatives
Maldon Museum in the Park Liaison Committee	Councillors K M H Lagan and A M Lay
Maldon Citizens Advice Bureau Liaison Committee	Councillors A Fittock, N D Spenceley and M E Thompson

- (ii) That representatives of the Strategy and Resources Committee are appointed to the Working Groups as detailed below, for the ensuing Municipal Year.

Working Groups	2024 / 25 Representatives
Car Parking Task and Finish Working Group	Councillors J Driver, M F L Durham CC, A M Lay and W Stamp CC
Equality, Diversity, and Inclusion Officer Working Group	Councillors R H Siddall and M E Thompson
Waste Contract Member Working Group	Councillors M F L Durham CC, A S Fluker, K M H Lagan and R H Siddall

98. **ANY OTHER ITEMS OF BUSINESS THAT THE CHAIRPERSON OF THE COMMITTEE DECIDES ARE URGENT**

The Chairperson announced that in accordance with Section 100b(4) of the Local Government Act 1972 he had agreed to allow the Chief Finance Officer to raise an urgent item of business.

99. APPROVAL TO CARRY FORWARD CAPITAL FUNDING FOR THE GALLEON REPLACEMENT FROM 2023 / 24

The Committee considered the urgent report of the Chief Finance Officer seeking Members' agreement to carry forward the previously agreed capital budget of £226,000 from 2023 / 24 to 2024 / 25, to enable delivery of the Galleon play equipment replacement project to proceed at pace. It was noted that this matter was brought forward as an urgent item for consideration as the full list of 2023 / 24 carryforwards was not due to be considered by this Committee until 25 July 2024; however, in order to deliver this project within the planned timescale of 18 October 2024 it was necessary to place an order with the contractor by Monday 17 June 2024.

The report provided background information regarding the Galleon play equipment replacement project and the related timescales for delivery. In response to a question the Chief Finance Officer advised that the project was in place and planning permission had been sought, this request was to enable the funding to continue for delivery of the project.

Councillor A S Fluker proposed that the recommendation as set out in the report be agreed. This was duly agreed.

RESOLVED the 2023 / 24 capital funding of £226,000 allocated for the delivery of the Galleon Project be carried forward to 2024 / 25.

100. EXCLUSION OF THE PUBLIC AND PRESS

In response to a query regarding Agenda Item 13 – Authority to Write Off Unrecoverable Debt and why it was not being discussed in open business, Officers confirmed that the details relating to this specific case were not in the public domain and therefore considered private and confidential. Officers confirmed that other such cases had also been treated in this way. It was suggested that for future reference, standard guidance on such matters be obtained from the Monitoring Officer.

The Chairperson moved the recommendation which was duly seconded and agreed. Councillor A S Fluker requested that his dissent be noted.

RESOLVED that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

101. AUTHORITY TO WRITE OFF UNRECOVERABLE DEBT

The Committee considered the report of the Chief Finance Officer seeking Members' approval to write off debt which exceeded the officer delegation limit of £10,000.

The report provided detailed information regarding outstanding debt in relation to an overpayment of Housing Benefit and Council Tax support and the action undertaken by the Council to recover these monies to date. It was noted that following a bankruptcy order this debt was no longer recoverable and therefore write off was sought.

In response to a query regarding the officer delegation limit of £10,000 Members were advised that this was set out in the Council's Constitution and could be reviewed in the future, if required.

Councillor K M H Lagan proposed that the recommendation set out in the report be agreed. This was duly seconded and agreed. Councillor W Stamp asked that her dissent be recorded.

RESOLVED the write off totalling £17,035.82, broken down into £15,268.52 overpaid Housing Benefit and £1,767.31 Council Tax, be approved, due to the debt not being recoverable following a bankruptcy order.

102. PROCUREMENT OF SERVICES

The Committee considered the report of the Director of Service Delivery seeking approval to procure and award a contract as set out in the report. Members' agreement was also sought to grant the Director of Service Delivery delegated authority in consultation with the Chairperson of the Committee to award the contract upon receipt of bids and following full evaluation.

The report provided background information regarding the current contract and the request to retender the contract to ensure best value for money was achieved. A procurement process would be undertaken following consultation with internal stakeholders and following specific guidance to ensure required standards were met. The report detailed the proposed procurement process timetable.

Following presentation of the report by the Head of Environmental Health, Waste and Climate Action, Councillor R H Siddall referred to the size of the contract and proposed that recommendation (iv) be amended removing the delegation and instead forming a Task and Finish Working Group made up of himself, the Chairperson of this Committee and two other Members of this Committee to be involved in the decision making process reporting back to this Committee. This proposal was duly seconded. Councillor Siddall then proposed that Councillor N D Spenceley and W Stamp be the other two Members on the Working Group.

The Chairperson clarified that the proposal was to amend recommendation (iv) to create a Task and Finish Working Group which would report back to this Committee. Councillor Siddall then proposed that the recommendations as amended be agreed. This was duly seconded and agreed.

RESOLVED

- (i) That the Council does not exercise its option to extend the contract (set out in the report) and follows the notice and procurement process as detailed in the report;
- (ii) That a Member Task and Finish Working Group with a Membership of Councillors M F L Durham CC (Chairperson of this Committee), R H Siddall (Leader of the Council), N D Spenceley and W Stamp be formed to consider award of the Contract (as detailed in (i) above) and to make recommendations to the Strategy and Resources Committee for decision and award of the contract.

103. PROPOSED CONTRACT EXTENSION

The Committee considered the report of the Director of Service Delivery seeking Members' approval to extend the Advice Services Contract, as set out in the report, for a further three years to September 2027.

Members noted the original award of the contract was for three years with the option to extend the contract for a further three years.

The report provided information regarding the direct levels of funding for the contract, the service provided to residents, performance, and outcomes. It was noted the contract was managed by the Assistant Director – Customer Services and Operations with scrutiny from a six-monthly joint Member and Officer Contract Liaison meeting. The vital service provided by the contract particularly at the current times was highlighted.

Following presentation of the report by the Assistant Director, Councillor A S Fluker referred to the recommendation and proposed that this be a recommendation to the Council.

Councillor K M H Lagan proposed that the recommendations as set out in the report be agreed. This proposal was duly seconded.

In response to a comment regarding the contract, the Chief Finance Officer advised that the contract was RPI linked and would therefore go up with this. It was therefore agreed that recommendation (ii) be amended to read “that funding recommendations remain unchanged”.

Councillor Fluker withdrew his earlier proposition at this point.

The Chairperson moved the recommendations as amended. This was duly seconded and agreed.

RESOLVED

- (i) That the current Advice Services Contract is extended for a further three years to September 2027,
- (ii) That funding recommendations remains unchanged;
- (iii) That Members note the significant positive outcomes being delivered under the current contract.

104. SPLASH PARK OPERATIONS 2024

The Commercial Manager gave a verbal update on Splash Park Operation 2024 following a decision made by this Committee in February 2024 to open the Splash Park as per scenario 1 (as detailed in the report). He offered apologies to Members, specifically mentioning Councillor K M H Lagan, for a misinterpretation of the decision and subsequent instruction to the contractors.

The Chairperson thanked the Commercial Manager and proposed that the apology ended the matter.

The Director of Strategy and Resources added an apology from the Corporate Leadership Team (CLT) and confirmed that the process was back on track with the Splash Park opening the following day (14 June 2024).

The Head of Service Delivery reported that the Directors and Section 151 Officer would be referring this as a CLT matter to the Overview and Scrutiny Committee (O&S) for consideration in due course. There was some discussion regarding this, and Members

advised that the matter would be considered by the O&S Working Group who would decide if the matter was taken forward.

During the short discussion that followed, a number of Members commented, Councillor Lagan thanked the Officer and CLT for the apology, and Officers provided Members with additional information including changes already introduced by officers.

The Chairperson then declared that the matter was closed.

There being no other items of business the Chairperson closed the meeting at 9.20 pm.

M F L DURHAM, CC
CHAIRPERSON



MALDON DISTRICT COUNCIL

Empty Homes and Second Homes Premium Policy 2024-25

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1. Introduction and background

- 1.1 The following policy outlines the Council's approach to the levying of empty homes premium and second homes premiums.
- 1.2 Premiums were introduced by government from 1 April 2013 with a view to encouraging homeowners to occupy homes and not leave them vacant in the long term.
- 1.3 The legislation which introduced premiums is S11B of the Local Government Finance Act 1992 (inserted by the Local Government Finance Act 2012). Premiums could only be charged on long-term empty dwellings. An empty dwelling is one which is 'unoccupied' and 'substantially unfurnished'. The definition of 'long-term' is where the dwelling has been empty for a continuous period of at least 1 year.
- 1.4 Initially the maximum level of premium was set by government at 50% of the amount of Council Tax chargeable. Each Council could determine the level of premium up to the maximum and this is charged in addition to the amount determined by the Council as payable for an empty dwelling¹
- 1.5 Certain classes of dwellings cannot be charged a premium namely:
 - a dwelling which would be the sole or main residence of a person but which is empty while that person resides in accommodation provided by the Ministry of Defence by reason of their employment i.e., service personnel posted away from home²; or
 - dwellings which form annexes in a property which are being used as part of the main residence or dwelling in that property³.
- 1.6 In 2018 the Rating of Property in Common Occupation and Council Tax (Empty Dwellings) Act allowed authorities to increase the level of premiums on empty dwellings with effect from 1 April 2019 as follows;
 - Dwellings left unoccupied and substantially unfurnished for 2 years or more, - from 1 April 2019 a premium can be levied up to 100%;
 - Dwellings left unoccupied and substantially unfurnished for 5 years or more, - from 1 April 2020 a premium can be levied up to 200%; and
 - Dwellings left unoccupied and substantially unfurnished for 10 years or more, - from 1 April 2021 a premium can be levied up to 300%.
- 1.7 It should be noted that premiums are charged in addition to the 100% Council Tax payable on empty premises.

¹ Under the Council Tax (Prescribed Classes of Dwelling)(England) Regulations 2003 and amended by the Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes C & D.

² Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes E

³ Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes F

- 1.8 Government, together with local authorities (including the Council) has unfortunately seen a rise in the number of empty homes together with a growth in second homes.
- 1.9 Inconsistencies in the legislation have also been identified whereby a premium can be avoided by the taxpayer merely furnishing an empty premises, when it would become a 'second home' which currently has a maximum charge of 100% with no premium.
- 1.10 In order to address these inconsistencies, and also to bring more dwellings into use, government has introduced sections within the Levelling Up and Regeneration Act 2023 (the Act).
- 1.11 This policy details the Council's approach in the charging of premiums as allowed within the new legislation.
- 1.12 The continued pressure on local authority finances (both the Council and the Major Preceptors) together with the need to encourage all owners of domestic premises to bring them back into use, makes it essential that the Council changes its approach to empty homes. The new legislation for second home premiums will encourage the use of dwellings as primary residences.

2. Empty homes premiums (From 1 April 2024)

- 2.1 Section 79 (1) (b) of the Levelling Up and Regeneration Act 2023 permits the Council to impose an empty homes premium after one year instead of two years. Section 80 of the Act provides that from 1 April 2024, a property can be charged an empty homes premium at 100% after one year, even if it became empty before 1 April 2024.
- 2.2 The Council has resolved to implement the change with effect from 1 April 2024.
- 2.3 The legislation requires the Council to be mindful of any guidance or further regulation in relation to the implementation of the premiums and this is detailed in Section 4 of this policy.

3. Introduction of premiums for second homes (From 1 April 2025)

- 3.1 The definition of a second home for Council Tax purposes is a dwelling which has "no one resident" but is "substantially furnished".
- 3.2 Section 80 (2) of the Act inserts a new section 11C into the Local Government Finance Act 1992. This permits the Council to apply a premium on second homes. The maximum Council Tax charge in these cases would be a standard 100% charge plus a premium of 100% making a total Council Tax charge of 200%.

- 3.3 Unlike empty dwellings, there is no requirement for a property to have been used as a second home for a fixed period of time before the premium can apply.
- 3.4 As with other changes introduced by the Act, section 11C (3) requires that the first decision to impose this class of premium must be taken at least 12 months before the financial year to which it would apply. In effect this means that premiums for second homes will not take effect until the 2025-26 financial year at the earliest.
- 3.5 The Council has resolved to charge second home premiums and has given the required notice.
- 3.6 The Act provides that a dwelling cannot be subject to both a second homes premium and an empty homes premium imposed under section 11B of the 1992 Act, and that an existing empty homes premium would cease to apply to a property which became subject to a second homes premium.

4. Exceptions from the premiums (empty homes premiums and second homes premium)

- 4.1 Government has stated that regulations providing exceptions to the premiums will be laid in 2025. In the meantime, the Council has decided to allow the following exceptions:
- **Properties undergoing probate:** the Council will allow a 12-month exception from the empty and second home premiums after probate or letters of administration have been granted. The dwelling will be liable for the 100% of council tax once the class F exemption has ended; but a premium will not be levied for a 12-month period;
 - **Properties that are being actively marketed for sale or rent** - the Council will apply an exception for up to a **maximum of 12 months** from the date that active marketing commenced, or until the property has been sold or rented, whichever is the sooner. The Council, in determining whether this exemption applies will require the following evidence:
 - (a) evidence that the dwelling is being **actively** marketed for sale or rent through a recognised agent (evidence can include contracts with agents, advertisements in recognised newspapers or marketing websites);
 - (b) where the premises are being self-marketed by the owner or landlord, evidence that the premises is being **actively** marketed (evidence can include advertisements in recognised newspapers or letting websites);
 - (c) where for sale, evidence that the premises are being sold at a true market level for the size and type of dwelling within the area in which it is situated. Where the dwelling is for let, that the rent requested is at a true market level for the size and type of dwelling within the area in which it is situated.

The above list is not exhaustive and the Council reserves the right to request further evidence to support any claim for exceptions. The exception will only apply **once** to that dwelling for any taxpayer or taxpayers if they are jointly and severally liable;

- **Empty properties undergoing major repairs** - this exception is time limited to 12 months. The Council has decided that empty dwellings undergoing major repair works or structural alternations should be an exception to the premium for up to 12 months once the exception has been applied or when the work has been completed, whichever is the sooner. The exception will be applied at any time after the dwelling has been empty for at least 12 months, so long as the Council is satisfied that the necessary repair work is being undertaken. As with all other exceptions to the premiums, the Council will require the taxpayer to provide such evidence as is required to support their application;
- **Annexes forming part of, or being treated as, part of the main dwelling** - the Council will except such annexes from the Council Tax premium on second homes;
- **Job related dwellings** - currently, there is a Council Tax discount of up to 50% for properties which are unoccupied because the owner is required to live elsewhere for employment purposes. The discount applies where the dwelling is provided for the better performance of the duties of the employment, and it is one of the kinds of employment in the case of which it is customary for employers to provide dwellings for employees. The Council has decided that the dwelling should also be excepted to the second homes premium. **The exception will not apply to cases where someone chooses to have an additional property to be closer to work while having a family home elsewhere or where an individual is posted to a new location but maintain their previous address;**
- **Occupied caravan pitches and houseboat moorings** - the Council has decided that these caravans and boats should be an exception to the Council Tax premium on second homes; and
- **Seasonal homes where year-round or permanent occupation is prohibited or has been specified for use as holiday accommodation or prevents occupancy as a person's sole or main residence** - the Council has decided that dwellings that have restrictions or conditions preventing occupancy for a continuous period of at least 28 days in any 12-month period, or specifies its use as a holiday let, or prevents occupancy as a person's sole or main residence, should be an exception to the second homes premium.

5. Outcome expected and 'safety net'.

5.1 The expected outcomes of this policy are as follows:

- (a) Taxpayers will be encouraged, through the implementation of the premiums, to bring empty properties into use and to revert the use of second homes to primary residences;
- (b) The reduction of empty homes and second homes within the Council's area in line with the Council's Empty Property Strategy; and
- (c) Increased Council Tax income from empty homes and second homes.

- 5.2 There may be circumstances where the implementation of these changes may cause exceptional hardship to a taxpayer. In such cases, the Council will consider applications for a reduction in liability under its Section 13A (1)(C) of the Local Government Finance Act 1992 - Reduction in Council Tax liability policy.
- 5.3 Where such an application is received, it will be considered on an individual case basis taking into account the circumstances of the taxpayer and the situation regarding the level of Council Tax charged. Should the taxpayer be aggrieved by any decision of the Council a further right of appeal will be with the independent Valuation Tribunal.

6. Legislation

- 6.1 The legislation that covers this policy and the recommendations made is as follows:
- S11A & S11B of the Local Government Finance Act 1992;
 - S11C of the Local Government Finance Act 1992 (as introduced by the Levelling Up and Regeneration Act 2023);
 - The Levelling Up and Regeneration Act 2023; and
 - S13A(1)(C) Local Government Finance Act 1992 (reduction in liability).
- 6.2 Due to changes in the legislation, the Council will be required to amend this policy, at any time, in line with statute.

7. Finance

- 7.1 Any amount of premium received will be part of the Council's Collection Fund and will be shared between the Council and Major Precepting authorities in line with their share of the Council Tax.
- 7.2 Any reduction granted under S13A(1)(c) will be financed through the Council's general fund and do not form part of the Collection Fund.

8. Notification

- 8.1 Where a taxpayer is granted an exemption, a revised demand notice will be issued. Where an exemption is applied for but not granted, the Council will provide a notification of its decision.

9. Appeals

- 9.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.

9.2 The taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the council will then consider whether any additional information has been received which would justify a change to the original decision and notify the tax payer accordingly.

9.3 Where the taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Council's website or from the Valuation Tribunal Service website.

10. Delegated Powers

10.1 This policy for the Council Tax premiums has been approved by the Council. However, the Lead Specialist, Service Delivery is authorised to make technical amendments to ensure it meets the criteria set by government and the Council.

11 Fraud

11.1 The Council is committed to protecting public funds and ensuring that premiums are correctly charged.

11.2 A taxpayer who tries to reduce their Council Tax liability by incorrectly or 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.

11.3 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.

12. Complaints

12.1 The Council's complaints procedure (available on the Council's website) will be applied in the event of any complaint received about this policy.



Technology Strategy 2024 – 27

Document Version: 1.0

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Reviewed By: Assistant Director of Resources Annette Cardy



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Key Information

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Accountable Assistant Director:	Assistant Director of Resources – Annette Cardy
Review Date	Every Four Years
IT SharePoint Site Link:	TBC

Key Information - Governance

The Strategy applies to:	Maldon Council officers
Committee the last ICT Strategy was approved at:	Council
Date of when the Strategy was approved:	30 June 2021
Last improvement Strategy for reference:	ICT Strategy
This Strategy is due its next review:	31/03/2028



Technology Strategy 2024 - 2027

Executive Summary

This technology strategy sets out Maldon District Council's technology vision of the future and how technology can support the delivery of its corporate priorities set within the Corporate Plan 2023 – 2027 for the years 2024 to 2027.

As the technology strategy priorities are based on the Corporate Plan the following priorities are key to this strategy:

- **Supporting our communities**
 - Services delivered intelligently.
- **Enhancing and connecting our place**
 - More connected services
- **Helping the economy to thrive**
 - Reduced resource and services costs
- **Smarter finances**
 - Reduction in Technology costs.
- **A greener future**
 - Reduction in our technology CO2 and electrical usage.
- **Provide good quality services.**
 - Continued improvements to core systems and services.

Local government is facing challenging economic pressures alongside an increase in customer expectations. The way we use our technology is more vital than ever to support the enhancement of services to the residents of Maldon.

The Department for levelling up, housing and communities require local government to identify productivity plans to include 'How we plan to take advantage of technology and better use of data to improve decision making, service design and use of resources. The Technology strategy is a key contributor to this.

This strategy identifies four key priorities which provide the foundation for the council's technology framework and support the delivery of the authority Corporate Plan. These four priorities are listed below.

1. Managing Risk, Security and Compliance
2. Infrastructure for Digital Transformation
3. Streamlined Digital Processes
4. Data Insight



The aim of these is to foremost ensure stability and then provide for controlled development through the continued delivery of high quality, secure, agile, and cost-effective systems which enable flexible and efficient ways of working.

Focus will be on the **reduction of its technology footprint** to support **the green initiative** and **smarter finance's** whilst **streamlining services** and harnessing data to **support the communities, connecting our place, and improving the quality of service.**

Introduction

The significant challenges that face the Council have prompted an organisational change in agenda which determines how services will be delivered and accessed by residents in the future. Key challenges include, hybrid working, budgetary constraints, increased customer demand and efficient resource requirements; and plans need to consider how Maldon District Council can make more efficient use of resources, work in closer collaboration with different agencies to optimize outcomes, whilst managing increasing pressures for flexibility.

Digital solutions provide an opportunity to develop new products and services, to create, collaborate and build successful service delivery models at a scale and a speed that was previously unimaginable. Digital technology gives opportunities to reduce the costs and increase the quality of public services, change the way in which we learn, work, live and access information from the world around us.

As technology advances and new consumer service models evolve, our customers' expectations for accessibility change. There is a drive both internally and externally to ensure that our services are increasingly more accessible, anytime, anywhere, anyplace.

This technology strategy aims to provides direction and outline of strategic ICT priorities that will shape Maldon District Councils future environment. It provides a platform that can harness innovation for the delivery of new service models, whilst providing a stable and resilient infrastructure which facilitates the most efficient use of resources.

Implementing this strategy will enable Maldon District Council to build on its investments in hybrid working to date and drive its digital delivery models. We have limited resource in the ICT team and the defined priorities in this Strategy will define the development of the ICT roadmap and resource allocation maximising the resources available to gain the most benefit through automation and the migration to cloud based infrastructure.

This strategy will be a 'living' document updated to respond to the changing and evolving business needs as and when change occurs. ICT's focus will be the removal of legacy systems in favour of a smarter more streamlined system enabling the council to better streamline its services to the public, as shown in the technology roadmap.



Future long term technology vision

To align to the Corporate Plan the future technology vision must extend on the council's 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’ The council will develop a technology architecture, built upon a fully integrated, data driven Authority that facilitates end to end digital service delivery across all the corporate business areas.

This framework will have Business Intelligence at its heart, providing corporate leadership, service managers and Council Members with the data and insight they need to make operational and strategic decisions, allowing the council to commission services based on detailed knowledge of the needs of our customers.

Much of this strategy will be delivered using cloud-based products, integrated into line of business applications.

The following slides set out the strategic priorities, which then shape our aims of the technology strategy i.e how we get there.

Sustainability statement

MDC is committed to the use of sustainable technology within the end-to-end transformation of the council systems and services.

During engagement with external suppliers Maldon District Council actively drives the use of low carbon solutions alongside more energy efficient systems, A 2018 study found that using cloud systems such as Microsoft can be up to 93 percent more energy efficient and up to 98 percent more carbon efficient than current on-premises solutions. This strategy has a core focus on the migration to Cloud technologies for which one benefit is the reduction of energy use and the use of sustainable power sources.

Strategic Priorities

Strategic ICT Priority 1: Managing Risk, Security and Compliance

It is vital that the council is a secure place to work, learn and do business. Getting security right is a fundamental enabling element of our digital ambitions. As we carry out more transactions and share more information online the greater the risk of our information, operations and finances being stolen, exploited or disrupted. These risks will only increase as we build and benefit from the internet of things innovation. Our reputation for cyber resilience has the potential to quickly become a determinant of future economic success. We will ensure that;

- People can access straightforward, reliable and easily accessible advice on cyber security.
- We share information about cyber threats across sectors and are well prepared to manage them.
- Our digital public services are safe and secure to use.
- The systems and process we use are appropriately maintained/ robust
- There is resilience in key customer processes to ensure we deliver services effectively



- We will work with academic institutions partners to enable effective and coordinated cyber security research and innovation.
- Cyber resilience skills are embedded within our wider digital skills ambitions.

Outcomes, measures of Success

- Ensure accreditation to national information security and governance standards. (Cyber Assessment Framework, Cyber Essentials Plus by 2026)
- Embed good security practice in all staff behaviour. (Training and testing through third party systems such as Boxphish with monitoring of outcomes)
- Deliver core customer processes in a consistent way
- Cyber Policies approved and in place (Inc AI, Cyber, Usage, Passwords)
- Active Directory migration to Azure Active Directory and cleansed
- Permission control based on group access and cleansed
- Removal of the Active Directory (AD)
- System training In-house to officers and members to support service delivery

Strategic ICT Priority 2: A Modern ICT Infrastructure that enables digital transformation.

Maldon District Council currently operates in an isolated environment whereby digital services do not all talk to each other across services. We will seek to build our internal Digital Business Technology Platform (Dynamics), developing centralised processes, and be a front runner for sharing and improving access to services across a network of authorities.

Our approach is to:

- Simplify and standardise ways of working across the council so that it becomes easier to use our services.
- Create common digital platforms for services that will encourage innovation in the delivery of public services whilst ensuring that the platforms and technologies are both secure and resilient.
- Make better use of cloud-based solutions as a source of both cost reduction and service innovation.

Outcomes, measures of Success

- Commodity cloud services as well as shared service offerings will be meshed into an overall ICT platform for business use. A single platform will be presented built from a small number of providers (internal and external) E.g: Dynamics – Build based on process priority with visibility to CLT and ELT – 15 processes in dynamics by 2027
- 90% of our ICT infrastructure will be cloud based within 3 years. (Removal of the on site Data Centre and implementation of Azure services to allow for server migration into the cloud. 12 current hosts, 9 migrated to the cloud by 2026)



- Reduce the environmental impact of technology used by the council – Lower electrical and carbon use whilst achieving work force flow optimisations and savings through these optimisations.
- Building upon hybrid working to allow full remote access to systems and services from multiple device types and locations.

Strategic ICT Priority 3: Streamline Processes to create an agile and flexible digital service model.

Automated Technology solutions facilitate new ways of analysing information in order to streamline processes and decision making. Using data from digital devices (sensors) that capture environmental and operational information from across the council estate, resources can be targeted more effectively, increasing capacity and reducing cost.

Outcomes, measures of Success

- Adoption of Artificial Intelligence, Robotics and Machine Learning technology to drive process change.
- Create a culture of continuous process review and design to provide effective resource management.
- Develop a technology cost optimisation programme.
- Review Enterprise Resource Platforms and associated functions
- Create an Internet of Things network that provides data to improve infrastructure management and reduce climate change emissions.
- Task Smart / Dynamics delivery (PMO (P3), Stray Dogs, Environmental Health)
- Over all system reduction through the migration of data and services to new, intuitive systems

NB, although this is a goal of the strategy, acknowledging limited resources and the need to focus on systems architecture and security and resilience, investment in new technology is likely to have a smaller proportion of IT time/ resource allocated in the roadmap.

Strategic ICT Priority 4: Developing Information for Business & Customer Insight

Data holds the key to unlocking innovation in public services. Better data sharing can generate new insights stimulate new ideas and deliver potential savings to the public sector. Such benefits will, however, only be realised if people in Maldon trust us to hold their data securely and use it in appropriate ways. We are already seeing benefits in areas of public service from the use of open and shared data. Collective data agreements are helping to widen access and reduce the costs of key data sources across the public sector.

Outcomes, measures of Success

- Data from systems to be collated within cloud-based data stores enabling data mining to drive insights that support business decision making.



- Business users have tools to be able to navigate and draw knowledge from the accumulated data to support intelligence led commissioning.
- Data management processes are established as normal practice within business units supported by ICT services and tools to provide processes, governance and management of critical data.
- ARCGIS and Dynamics as a data centric system to optimise data sharing both internally and externally to drive work flow improvements.

Information Systems and partners

We will manage data and security compliance at a level that provides assurance to customers and providers, that the information we hold is managed securely and governed within data protection regulations.

Microsoft will continue to be a strategic delivery partner over the life of this strategy and will support the council in delivering the **Technology Roadmap**. Projects over 2024 will be focussed on consolidation of key systems and using corporate technology platforms to deploy common standardised processes that facilitate automation and integration.

Using Azure cloud Business and Operational Analytics through PowerBI we will ensure that our core systems are fit for purpose and integrate with strategic delivery partner networks where appropriate.

The Microsoft Security and Compliance product suite will ensure our information and data is available to share within the constraints of a fully secure data governance framework. Automated document archiving, deletion and retention will optimise the way we store and retrieve data to ensure information is easily accessible.

Microsoft 365 power platform suite will facilitate collaborative systems and workplaces that increase resource capacity, capability and information sharing across multiple delivery agencies and providers.

In order to deliver the projects outlined in the Technology Roadmap we will continue to work in collaboration with the Essex Digital Partnership (EDP), Microsoft and Insight to ensure consistent operational technology support. Where specialist technical skills are required to implement specific transformational change programmes, we will engage with Microsoft 'gold' partners or their equivalent to provide innovative business solutions.

By using strategic delivery partners and a 'gold' partner supply chain we will deliver the following technology enabled strategic outcomes:



Provide staff, partners and public with access to reliable and predictable ICT services that fully exploit the benefits of technology.



Enable new ways of working and new service delivery models.



Use our information and data to drive an intelligence-based target resources where they can be most effective.



Provide secure, agile, and flexible digital technology solutions that empower customers and providers to improve service delivery.



Challenge and facilitate the business to take advantage of existing and new digital technologies.

Resource and Governance

All organisational ICT decisions will be governed by CLT+ through the Lead ICT Specialist which will approve and advise Corporate Leadership Team (CLT) and Extended Leadership Team (ELT) on technology investment, direction and issues which have priority. Day to day ICT problems will be raised via Fresh Service (FS) and triaged to the appropriate knowledge base for assessment and diagnosis. High level FS tickets will then go to the Lead ICT specialist in prep for CLT+ based on the expert knowledge available. Doing so will give representation from all corporate directorates and area's, allowing for a global view of the council.

To ensure robust governance of technology commissions for both corporate and major business initiatives, The Lead ICT Specialist along side their stakeholders provide management oversight of technology programmes and projects holding the delivery partners to account, ICT workload for both projects and BAU will be based off the ICT Roadmap and a priority rating, new items following approval form CLT+ then get assigned a priority based on the roadmap and important to the council.

The Governance set out above will focus on:

- Priority setting and effective use of resources.
- Quality assurance
- Clearly defining roles and responsibilities
- Delivery outcomes and specific timetabling

The 'design authority' will reside with the Lead ICT Specialist who will define the overall corporate technology and strategic activity over the life of the Technology Strategy. Major initiatives to which ICT contribute will be set in accordance with the Strategic Delivery Plan. These priorities will be set out in an Infrastructure Business Delivery Plan and approved by the Corporate Leadership Team.

All corporate technology spend will be centrally managed by the Lead ICT Specialist via the ICT Budget with new technologies being funded from the forecast underspend.



When considering new technologies, an end to end process of analytic definition takes place to ensure new systems achieve the same or better levels of statutory and legal requirements, this is supported via direct contact with supporting legal bodies such as the National Cyber Security Centre (NCSC). Department for Levelling Up, Housing and Communities (DLUHC), Department of work and pensions (DWP) and the Local Government Association (LGA) to ensure Maldon District Council have the needed system for the next service delivery.

To ensure the council make best use of technology across the whole organisation we will develop additional skill sets within the ICT Teams including Change and Project Management, Business Process Analysts, Data Scientists, Programmers and Developers.

Data and Business Intelligence

Digital data will enable the council to improve, optimise and reinvent existing business models, operating processes and outcomes. By using data strategically, the council will be insight driven, innovative and predictive when designing new service delivery models. Maldon Adopted a data management and insight strategy in 2023 which aligns to this data centric approach to our in house systems. ([Data Management and insight strategy link](#))

Digital is all about data. How it is collected, governed, secured and consumed. Data can be mined, refined and processed using automation to produce dynamic insights. This strategy must deliver a data infrastructure that promotes the innovative use of data across the public sector. It must encourage data sharing and collaborative insight to facilitate service improvement and awareness. It must have enterprise information management, governance, strategy, and skills embedded in the corporate culture.

We will utilise modern and collaborative tools to efficiently work together, deliver accessible services and reduce our carbon footprint. – MDC Corporate Plan 2023

At the core will be the Microsoft Azure Data Lake and Power BI analytics tool set. The data lake will have the ability to consume data from all line of business applications along with feeds from the Internet of Things (IoT) devices connected to cloud network services. This strategy sets the corporate direction and associated activities to achieve a corporate data platform that will be the central repository.

This will facilitate storage and analytic capability across multiple data sets from many services. Dynamic reporting will enable real time diagnostics and management information to be distributed across all levels of the council.



Customer Engagement

Our customers will benefit from digital service delivery. The ubiquity of smart phones in all walks of life mean we must consider a transformation in customer engagement from a 'one stop shop' model to a 'no stop' model, in which all services we provide can be accessed 'on the move' from digital handheld devices.

To create successful digital services, we must focus on;

- Multichannel Delivery - User Centric, Personalised and Proactive
- Digital Platforms - Platforms, Partnerships and Ecosystems
- Data Centricity - Insight Driven, Innovative and Predictive

Our services must be integrated, personalised, and created using Human-Centred Design for better service outcomes. We must use data and provide knowledge to providers who can in turn develop Proactive Service Delivery Models that continuously receive digital feedback from service users.

We must continue to embrace and develop Automated Service Delivery techniques using newer technologies such as artificial intelligence, and machine learning to provide consistent, easily accessible transactional and informational services across a full range of public services.

Above all, we must empower our customers and providers to drive improvements in services using digital technology delivery models.



The Technology Roadmap

A Technology Roadmap 2024-2027 supporting the delivery of our ICT priority and outcomes has been produced. The roadmap has four clear strategic priorities from this strategy with associated enabling projects. The projects are designed to encourage innovation and use of new technology, thereby shaping the way ICT is delivered across the Council.

In addition to this, Business As Usual (BAU) and core resilience will be factored into the ICT resource planning to allow for great optimization within the ICT teams.

In order to successfully develop and deploy activities within the roadmap, the Project management office (PMO) will be engaged to oversee each program and project of work.

In order to make the most of technology investment the Council is committed to the continued optimisation and consolidation of all systems and applications using Enterprise Business Capability to digitise business process and reduce overall resourcing cost e.g Sonicwall

The Technology Roadmap is broken down into three key areas per year, over the period of the strategy including the task end date as shown below:

2024/2025	2025/2026	2026/2027
Dynamics		
P3 – Jan 24 - April 24	Stray Dogs – May 25 - July 25	Workplan will be defined Process and System review.
Planning – May 25 - April 25	Corporate Risk – Aug 25 – De 25	
	Environmental Health – Dec 25 – April 26	
ArcGIS		
Waste route – Sep 24 – Dec 24	Workplan will be defined Process and System review.	Workplan will be defined Process and System review.
Abandoned vehicle's – Dec 24 – Apr 26		
Emergency Management – Dec 24 – April 26		
Public Phoenix Maps – Nov 24		
Projects		
Intune – Feb 24 - April 25	Co-Pilot – April 25 - Nov 25	Windows 365 – April 26 - July 27
Windows 11 – April 24 - Dec 24	Azure – April 25 - Dec 25	



Technology Roadmap

Dynamics:
P3 – April 24
Stray Dogs – Nov 24
Corporate Risk – Nov 24
Environmental Health – April 25 (Process TBC)

ArcGIS:
Waste route – Sep 24
Abandoned vehicle's – Dec 24
Emergency Management – Dec 24
Public Phoenix Maps – Nov 24

2024
Intune:
Members Devices – April 24
Staff Devices – Dec 24
Windows 11:
Image build – July 24
Image test – Sep 24
Deployment – Dec 24

2025

2026

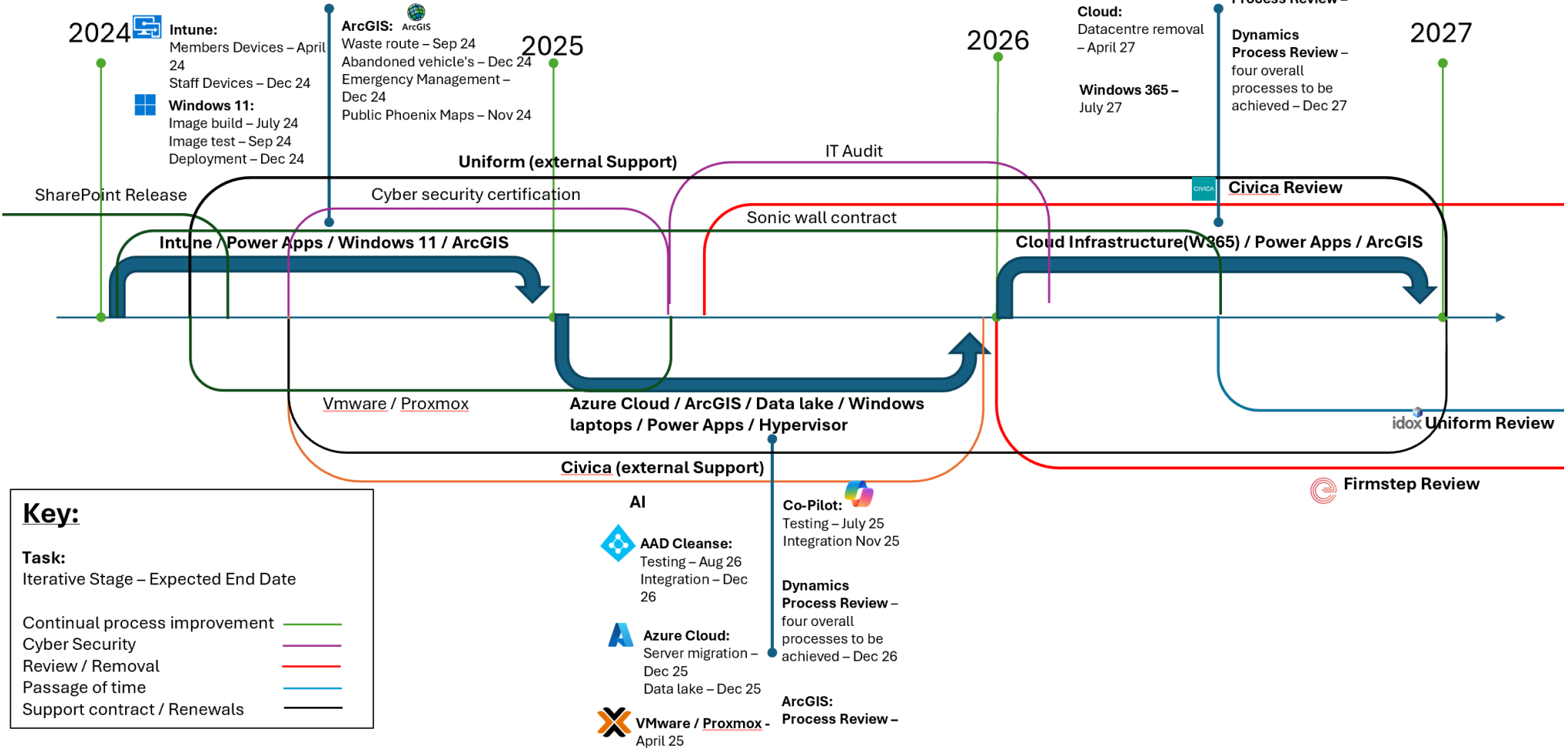
Cloud:
Datacentre removal – April 27
Windows 365 –
July 27

ArcGIS:
Process Review –

Dynamics
Process Review –
four overall
processes to be
achieved – Dec 27

2027

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Summary

Maldon District Council is on a digital journey. The roadmap to delivery started in 2019 with an ICT strategy that clearly set out a set of projects based on cloud computing, mobility and flexibility within a well-defined secure framework that enabled data sharing across multiple delivery providers and hybrid working for officers and members alike.

With this technology Strategy 2023-2027, the journey continues, building on the platforms developed thus far and developing them using technology solutions that have emerged in the last four years.

Technology advances and a migration in the cloud computing marketplace will enable Maldon District Council to take full advantage of cloud data storage capacity and analytics to develop digital feedback mechanisms that will enhance our authority and create customer service models designed to be hybrid, proactive and personalised.

Using AI alongside autonomous devices connected to and interacting with their environment Maldon District Council will be able to improve infrastructure management and reduce the environmental impact of service delivery. It will be able to develop service models that improve the lives of vulnerable people and allow them to live more independently.

This Technology Strategy supports Maldon District Councils Corporate Plan 2024 – 2027 and the key priorities that are working towards improving the lives of those who live, work and learn in Maldon.



REPORT of CHIEF FINANCE OFFICER

to
STRATEGY AND RESOURCES COMMITTEE
25 JULY 2024

TREASURY MANAGEMENT OUTTURN 2023 / 24

1. PURPOSE OF THE REPORT

- 1.1 To report on the Council's investment activity for the financial year of 2023 / 24 in accordance with the Chartered Institute of Public Finance and Accountancy Treasury Management Code (CIPFA's TM Code) and the Council's Treasury Management Policy and Treasury Management Practices (TMPs).

2. RECOMMENDATION

To the Council:

That the 2023 / 24 Treasury Outturn report be reviewed for compliance purposes.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end).
- 3.2 The Council's Treasury Management Strategy for 2023 / 24 was presented to the Strategy and Resources Committee on 26 January 2023 and subsequently approved by the Council on 22 February 2023.
- 3.3 During 2023 / 24, the Council had an average of £27.3m invested and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.
- 3.4 The 2021 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by the Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by the Council on 22 February 2023.
- 3.5 **External Context**
 - 3.5.1 The Council currently engages Link Group to provide treasury management consultancy and advice services. Included at **APPENDIX 1** is information prepared by Link providing an overview of the external economic environment.

3.6 Local context

- 3.6.1 The Council did not hold any external debt during 2023 / 24, with the exception of a five-year hire purchase agreement entered into on the acquisition of two tractors in April 2023. The borrowing position of the Council will be reviewed as part of the updated 2024 / 25 Strategy. Investments levels are forecast to fall, as capital receipts are used to finance capital expenditure and reserves are used to finance any revenue budget gaps.

3.7 Investment Activity (April 2023 – March 2024)

- 3.7.1 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults, and the risk of receiving unsuitably low investment returns.
- 3.7.2 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Over the period from April 2023 to March 2024, the level of investments held by the Council has seen a decrease of £2.5m with total investments held on 31 March 2024 being £24.5m.
- 3.7.3 During 2023 / 24 the Bank of England increased interest rates to reduce inflation, prolonging the cost of living crisis for households and businesses and temporarily taking the nation into recession. This has in turn increased interest returns on investments but cooled property values. The Council has £3m invested in the CCLA (Churches, Charities and Local Authorities) Local Authorities Property Fund and £2m in the Ninety One Diversified Income Fund, which is a multi-asset fund. The falls in the capital values of the underlying assets were reflected in 31 March 2024 valuations of both funds. The 31/3/2024 Balance Sheet figure for long-term investments is recorded at fair value, £4,428k. The Council is using the alternative Fair Value through Profit and Loss (FVPL) accounting and must defer the funds' fair value gains and losses to the Financial Instruments Adjustment Account (which is an unusable reserve until 2024 / 25) and reflected in the movement in reserves statement.
- 3.7.4 The Council's £5m of externally managed pooled and property funds generated a total income return of £220k during 2023 / 24. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates. In the light of their performance over the medium/long-term and the Council's latest cash flow forecasts, investment in these funds has been maintained.

3.8 Performance – Budgeted Income and Outturn

- 3.8.1 Below are the average income returns obtained on the Authority's investments:
- Short Term investments – 4.2%;
 - Investments in the Ninety One Diversified Income fund – 4.0%;
 - Investment in the Property Fund – 4.66%;
 - All investments – 4.2%.

3.8.2 The Authority's budgeted investment income for the year was £0.750m. The actual investment income for the year was £1.449m. This income overachievement was due to interest rates increasing throughout the financial year.

3.9 Compliance with Prudential Indicators and Treasury Management Strategy

3.9.1 All Prudential Indicators for 2023 / 24, have been complied with to date, except for breaches on the Council's current account limits, disclosed below.

Table 2 – Counterparty Limit Breaches

Date in Excess	Amount in Excess £000	Reason	Date Resolved	How Resolved
12/04/2023	£601	Net balance exceeded the £3m bank counterparty when £2m investment to Nationwide took 24hrs to clear.	13/04/2023	£2m investment in Nationwide Building Society cleared
14/04/2023	£47	Unexpected income received towards the end of the day.	15/04/2023	£1m invested in Federated Money Market Fund.
19/07/23	£3,692	Net balance exceeded the £3m bank counterparty limit when £5m repaid by Federated a day before monthly National Non-Domestic Rates (NNDR) precept payment.	20/07/2023	£3m reinvested in Federated, £524k paid in NNDR precepts, £166k paid to Essex Pensions and £471k repaid to the Department for Levelling Up, Housing and Communities (DLUHC).
14/08/23	£3,550	Net balance exceeded the £3m bank counterparty limit when £5m repaid by Federated a day before monthly NNDR precept payment.	15/08/2023	£5m reinvested in Federated Money Market Fund
01/09/23	£3,014	Net balance exceeded the £3m bank counterparty limit when monthly council tax payment came in and £4m investment to Debt Management Organisation (DMO) took 24hrs to clear.	04/09/2023	£4m investment to Government DMO.
02/10/2023	£255	LRSB payment didn't go as planned on 02/10. paid on the next day	03/10/2023	£1.9m paid to LRSB
04/10/2023	£513	funds from Blackpool received later in the day. Invested next day	05/10/2023	£2m invested in Deutsche
01/12/2023	£878	Funds invested on the next working day to Wirral	02/12/2023	£2m invested in Wirral Council

3.9.2 **APPENDIX 1** reports on the Council's compliance with Prudential Indicators.

3.9.3 The Section 151 Officer reports that all treasury management activities undertaken during the second half of the year in review complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy, the above items excepted.

3.10 **Outlook for 2024 / 25 (Summary of advice from Link Group)**

- As widely expected, the Bank of England's Monetary Policy Committee kept the Bank Rate unchanged for a seventh consecutive time at its June meeting.
- Ahead of the meeting markets had been pricing in around a 30% chance of a rate cut in August. Post-meeting, this had risen to over 60%.
- Equity markets had a broadly positive start to the second half of the year. In the UK, the FTSE-100 eked out a modest 0.03% advance, as investors took a more cautious stance ahead of the election.
- House prices rose by 0.2% in June, modestly above forecasts, which raised the annual increase from 1.3% to 1.5%. Over Q2, it meant prices were little changed, following declines in both April and May. Meanwhile, consumer credit figures saw an increase from £0.7bn in April to £1.5bn in May, reflecting the rise in retail sales over the month. Elsewhere, net mortgage lending eased from April's £2.2bn to £1.2bn in May but the annual rate ticked up to 0.3% as activity continued to be pressured by elevated borrowing rates. Overall, analysts suggested the figures indicated a further softening in the drag on activity, with the outlook more positive for the second half of the year, especially if the Bank of England cuts policy rates as widely expected.
- The June manufacturing Purchasing Managers Index figure was revised lower to 50.9 from its initial reading of 51.4. Data has shown that shop prices rose by just 0.2% on the year in June, against a prior reading of 0.6% and expectations of a 0.5% gain. All sector-level readings eased, with negative monthly returns for each of food and non-food while the latter continued to trend deeper into negative territory on the year at -1.0%.

4. **CONCLUSION**

4.1 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary of the treasury management activity for the financial year 2023 / 24. As indicated in this report, none of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

5. **IMPACT ON STRATEGIC THEMES**

5.1 The report links to the Maldon District Council's Strategic Priority of Smarter Finances.

6. **IMPLICATIONS**

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None identified.

- (iii) **Impact on Risk (including Fraud implications)** – This report is mainly about managing credit risk. A prudent approach continues to be taken in relation to investment activity with priority being given to security and liquidity over yield.
- (iv) **Impact on Resources (financial)** – Income exceeded the Council's budgeted figure of £750,000 by £698,655 in 2023 / 24.
- (v) **Impact on Resources (human)** - None directly.

Background Papers: None

Enquiries to: Lance Porteous, Lead Finance Specialist.

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Annual Treasury Management Review 2023/24

Maldon District Council
July 2024

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Annual Treasury Management Review 2023/24

Purpose

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023/24. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

During 2023/24 the minimum reporting requirements were that the Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 22/02/2023)
- a mid-year, (minimum), treasury update report (Strategy & Resources 09/11/2023)
- an annual review following the end of the year describing the activity compared to the strategy, (this report)

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Strategy and Resources Committee before they were reported to Council. Member training on treasury management issues is undertaken for each set of elected members. The last session was held in January 2024.

Executive Summary

During 2023/24, the Council complied with its legislative and regulatory requirements. The key prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Prudential and treasury indicators	31.3.23 Actual £000	31.3.24 Budget £000	31.3.24 Actual £000
Capital expenditure	1,093*	1,186	928
Capital Financing Requirement (including leases):	226	0	44
External debt including leases	226	0	44
Investments	5,000	5,000	5,000
• Longer than 1 year	22,000	20,000	19,500
• Under 1 year	27,000	25,000	24,500
• Total			
Net Investment	26,774	25,000	24,456

* The reported capital expenditure for 2022/23 did not include the embedded lease in relation to waste vehicles, which gave rise to the Capital Financing Requirement of £226k.

Other prudential and treasury indicators are to be found in the main body of this report. The Chief Finance Officer confirms that the statutory borrowing limit, (the authorised limit), was not breached.

1. The Council's Capital Expenditure and Financing

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£m General Fund	31.3.23 Actual	2023/24 Budget	31.3.24 Actual
Capital expenditure	1,093*	1,186	928
Financed in year	1,093	1,186	884
Unfinanced capital expenditure	0	0	44

** The reported capital expenditure for 2022/23 did not include the embedded lease in relation to waste vehicles, which gave rise to the Capital Financing Requirement of £226k in the previous table.*

2. The Council's Overall Borrowing Need

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2023/24 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government, through the Public Works Loan Board [PWLB], or the money markets), or utilising temporary cash resources within the Council.

Reducing the CFR – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2023/24 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Treasury Management Strategy Report for 2023/24 on 22/02/2023.

The Council's CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

CFR (£m): General Fund	2022/23 Actual	2023/24 Budget	2023/24 Actual
Opening CFR	452	226	226
Capital Expenditure	1,093	1,186	928
Total	1,545	1,412	1,154
Financed by:			
MRP	226	226	226
External sources (Government & Other Grants)	629	831	679
Capital Receipts	464	355	194
Revenue Contribution	0	0	11
Total Financing	1,319	1,412	1,110
Closing CFR	226	0	44

Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

Gross borrowing and the CFR – in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2023/24) plus the estimates of any additional capital financing requirement for the current (2024/25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2023/24. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	31.3.23 Actual	31.3.24 Budget	31.3.24 Actual
Gross borrowing position	£0.226m	£0.000m	£0.044m
CFR	£0.226m	£0.000m	£0.044m
Under / over funding of CFR	£0.000m	£0.000m	£0.000m

The CFR in the table above reflects payments embedded in the lease of vehicles with the Council's Waste contract with Suez (2022/23) and the outstanding amount of a Hire Purchase agreement with John Deere (2023/24)

The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2023/24 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

	2023/24
Authorised limit	£16.5m
Maximum gross external debt position during the year	£0.226m
Operational boundary	£7.0m
Average gross external debt position	£0.135m
Financing costs as a proportion of net revenue stream	0.01%

3. Treasury Position as of 31st March 2024

The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices.

INVESTMENT PORTFOLIO	31.3.23 Actual £000	31.3.23 Actual %	31.3.24 Actual £000	31.3.24 Actual %
Treasury investments				
Banks	2,270	10.1%	2,658	10.6%
Building societies - rated	2,000	6.2%	2,000	7.9%
Building societies – unrated	0	0.0%	0	0.0%
Local authorities	10,000	43.4%	6,000	23.8%
DMADF (H M Treasury)	0	0.0%	0	0.0%
Total managed in house	14,270	59.7%	10,658	42.4%
Bond funds	2,000	6.2%	2,000	7.9%
Property funds	3,000	9.3%	3,000	11.9%
Cash fund managers	8,000	24.8%	9,500	37.8%
Total managed externally	13,000	40.3%	14,500	57.6%
TOTAL TREASURY INVESTMENTS	27,270	100%	25,158	100%

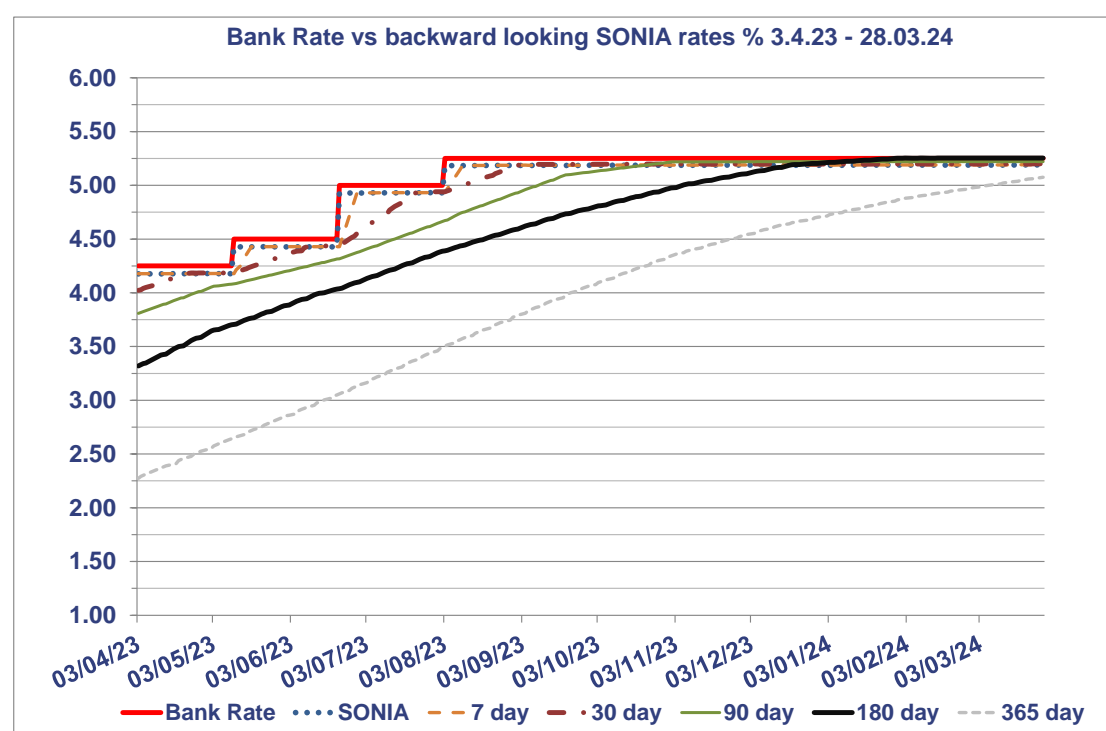
The maturity structure of the investment portfolio was as follows:

	31.3.23 Actual £000	2023/24 Budget £000	31.3.24 Actual £000
Investments			
Longer than 1 year	5,000	5,000	5,000
Up to 1 year	22,270	20,000	20,158
Total	27,270	25,000	25,158

4. The Strategy for 2023/24

4.1 Investment strategy and control of interest rate risk

Investment Benchmarking Data – Sterling Overnight Index Averages (Backward-looking) 2023/24



FINANCIAL YEAR TO QUARTER ENDED 28/03/2024							
	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
High	5.25	5.19	5.19	5.20	5.22	5.25	5.08
High Date	03/08/2023	28/03/2024	28/03/2024	26/03/2024	25/03/2024	22/03/2024	28/03/2024
Low	4.25	4.18	4.18	4.02	3.81	3.32	2.27
Low Date	03/04/2023	04/04/2023	11/04/2023	03/04/2023	03/04/2023	03/04/2023	03/04/2023
Average	5.03	4.96	4.96	4.93	4.84	4.64	3.93
Spread	1.00	1.01	1.01	1.18	1.41	1.94	2.80

Investment returns picked up throughout the course of 2023/24 as central banks, including the Bank of England, continued to respond to inflationary pressures that were not transitory, and realised that tighter monetary policy was called for.

Starting April at 4.25%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 5.25% by August. By the end of the financial year, no further increases were anticipated. Indeed, the market is pricing in a first cut in Bank Rate in either June or August 2024.

The upward sloping yield curve that prevailed throughout 2023/24 meant that local authorities continued to be faced with the challenge of proactive investment of surplus cash, and this emphasised the need for a detailed working knowledge of cashflow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investment

rates as duration was extended, became an on-going feature of the investment landscape.

With bond markets selling off, UK equity market valuations struggled to make progress, as did property funds, although there have been some spirited, if temporary, market rallies from time to time – including in November and December 2023. However, the more traditional investment options, such as specified investments (simple to understand, and less than a year in duration), have continued to be at the forefront of most local authority investment strategies, particularly given Money Market Funds have also provided decent returns in close proximity to Bank Rate for liquidity purposes. In the latter part of 2023/24, the local authority to local authority market lacked any meaningful measure of depth, forcing short-term investment rates above 7% in the last week of March.

While the Council has taken a prudent approach to investing surplus monies, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Global Financial Crisis of 2008/09. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

4.2 Borrowing strategy

No external borrowing was planned at the time of approving the Treasury and Capital Strategies in February 2023 but the above interest rate forecasts were provided by Link Group to inform the Council what the cost of borrowing was likely to be should borrowing have become necessary.

Forecasts at the time of approval of the treasury management strategy report for 2023/24 were as follows

Link Group Interest Rate View 07.02.23													
	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.25	4.50	4.50	4.25	4.00	3.75	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.30	4.50	4.50	4.30	4.00	3.80	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.40	4.50	4.40	4.20	3.90	3.70	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.50	4.40	4.20	3.80	3.60	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.00	4.00	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.10	3.10	3.10
10 yr PWLB	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.60	4.40	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.40
50 yr PWLB	4.30	4.30	4.20	4.10	3.90	3.80	3.60	3.60	3.40	3.30	3.20	3.20	3.10

5. Investment Outturn

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Resources – the Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's core cash resources comprised as follows:

Balance Sheet Resources (£m)	31.3.23	31.3.24
Balances	5,081	5,095
Earmarked reserves	8,387	8,594
Provisions	100	100
Usable capital receipts	1,683	1,489
Total	14,151	15,278

Investments held by the Council

- The Council maintained an average balance of £27.294m of investment funds.
- The invested funds earned an average rate of return of 3.98%.
- This compares with a budget assumption of £25m investment balances earning an average rate of 3%.
- Total investment income was £1.449m compared to a budget of £0.750m.

Investments held by fund managers

The Council uses 5 external fund managers to invest part of its cash balances. The performance of the managers against the benchmark return was:

Fund Manager	Investments Held (£m)	Average Return (%)	Benchmark (%) *
Federated	£5.000	6.0	3.0
Goldman Sachs	£0.000	6.0	3.0
Deutsche	£4.500	6.0	3.0
CCLA	£3.000	4.7	3.0
Ninety One	£2.000	4.0	3.0
		5.0	3.0

This compares with a budgeted 2023/24 assumption of average investment balances of £25m at 3% investment return. Performance during the year has been better than estimated when setting the budget, as investment balances were maintained at a higher level and interest rates were increased and held higher by the Bank of England than anticipated.

6. The Economy and Interest Rates

UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised
Inflation	3.4%y/y (Feb)	2.4%y/y (Mar)	3.2%y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

7. Other Issues

1. IFRS 9 fair value of investments

English authorities: Following the consultation undertaken by the Department of Levelling Up, Housing and Communities [DLUHC] on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31st March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

The Council has 2 Pooled Funds that are valued at Fair Value at 31 March each year.

Fund	Invested Amount £000	Fair Value £000	Capital Gain/(Loss) £000
CCLA - Lamit Property fund	3,000	2,675	(325)
Ninety One (INVESTEC) - Diversified Income Fund	2,000	1,753	(247)
Total	5,000	4,428	572

Both pooled funds are lower in fair value than the amounts originally invested. This means that had they been redeemed on 31 March the investment market would have dictated that the Council will have only received £4.472m instead of the £5m invested. A statutory over-ride means this loss will not be charged to the Council's Comprehensive Income and Expenditure account. The statutory over-rise remains in existence until 31 March 2025. After that point there is a risk that any loss in value would impact negatively on the General Fund reserve is that override is lifted. Conversely, an increase in value would be a positive impact on the General Fund. This is being monitored closely.

These investments are still held as long-term investments and the nature of them mean their values rise above the invested amount and fall below frequently over time. E.g. On 31 March 2022 they were valued at £5.223m. Also, Investment returns on these funds are received every year. In the last financial year £220k was received. These pooled funds are very unlikely to be needed on short notice by the Council, so the timing of divesting from these investments can be strategically decided for the greatest benefit for the Council.

Appendix A: Investment Portfolio

Investments held as of 31st March 2024 compared to our counterparty list:

	31-Mar-24
	Actual Portfolio
	£m
Treasury investments:	
UK Banks	
- Natwest	1
- Barclays	2
Building societies (unsecured)	
- Nationwide	2
Certificate Deposit	0
Money Market Funds	
- Federated	5
- Deutsche	4
-	
Local Authorities	
- Telford & Wrekin	2
- Wirral	2
- Barking & Dagenham	2
Other Financial Intermediaries	
- CCLA Lamit	3
- Ninety One	2
Debt management office	0
Total treasury investments	25

ABBREVIATIONS USED IN THIS REPORT

CFR: capital financing requirement - the Council's annual underlying borrowing need to finance capital expenditure and a measure of the Council's total outstanding indebtedness.

CIPFA: Chartered Institute of Public Finance and Accountancy – the professional accounting body that oversees and sets standards in local authority finance and treasury management.

CPI: consumer price index – the official measure of inflation adopted as a common standard by the UK and countries in the EU. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

DLUHC: the Department for Levelling Up, Housing and Communities - the Government department that directs local authorities in England.

ECB: European Central Bank - the central bank for the Eurozone

EU: European Union

EZ: Eurozone -those countries in the EU which use the euro as their currency

GDP: gross domestic product – a measure of the growth and total size of the economy.

G7: the group of seven countries that form an informal bloc of industrialised democracies - the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom - that meets annually to discuss issues such as global economic governance, international security, and energy policy.

Gilts: gilts are bonds issued by the UK Government to borrow money on the financial markets. Interest paid by the Government on gilts is called a coupon and is at a rate that is fixed for the duration until maturity of the gilt, (unless a gilt is index linked to inflation); while the coupon rate is fixed, the yields will change inversely to the price of gilts i.e., a rise in the price of a gilt will mean that its yield will fall.

HRA: housing revenue account.

MPC: the Monetary Policy Committee is a committee of the Bank of England, which meets for one and a half days, eight times a year, to determine monetary policy by setting the official interest rate in the United Kingdom, (the Bank of England Base Rate, commonly called Bank Rate), and by making decisions on quantitative easing/tightening.

MRP: minimum revenue provision - a statutory annual minimum revenue charge to reduce the total outstanding CFR, (the total indebtedness of a local authority).

PFI: Private Finance Initiative – capital expenditure financed by the private sector i.e., not by direct borrowing by a local authority.

PWLB: Public Works Loan Board – this is the part of H.M. Treasury which provides loans to local authorities to finance capital expenditure.

RPI: the Retail Price Index is a measure of inflation that measures the change in the cost of a representative sample of retail goods and services. It was the UK standard for measurement of inflation until the UK changed to using the EU standard measure of inflation – Consumer Price Index. The main differences between RPI and CPI is in the way that housing costs are treated and that the former is an arithmetical mean whereas the latter is a geometric mean. RPI is often higher than CPI for these reasons.

SONIA: the Sterling Overnight Index Average. Generally, a set of indices for those benchmarking their investments. The benchmarking options include using a forward-looking (term) set of reference rates and/or a backward-looking set of reference rates that reflect the investment yield curve at the time an investment decision was taken.

TMSS: the annual treasury management strategy statement reports that all local authorities are required to submit for approval by the Full Council before the start of each financial year.

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REPORT of CHIEF FINANCE OFFICER

to
STRATEGY AND RESOURCES COMMITTEE
25 JULY 2024

SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND USE OF RESERVES: 2023 / 24 QUARTER 4 (1 JANUARY - 31 MARCH 2024)

1. PURPOSE OF THE REPORT

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

2. RECOMMENDATIONS

- (i) That the virements as detailed in paragraph 3.3.1 be noted;
- (ii) That the procurement exemptions as detailed in paragraph 3.5.1 be noted;
- (iii) That the reserve drawdowns as detailed in paragraph 3.6.1 be noted.

3. SUMMARY OF KEY ISSUES

3.1 Rules and Regulations

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

Virements (budget movements) within the same directorate:

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

Virements between different directorates:

- Up to £20,000 – Director and Director of Resources and reported on a quarterly basis,
- Over £20,000 up to £50,000 - Director, Director of Resources in consultation with relevant Programme Committee Chairperson; and reported to the next Strategy and Resources Committee,
- Over £50,000 - the Strategy and Resources Committee,

In addition, for the purposes of virements, salaries budgets are to be considered as a separate Directorate.

Supplementary Estimates

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

3.2 Procurement Exemptions and Use of Reserves

- 3.2.1 The Contract Procedure Rules provide information in relation to procurement exemptions. The exemption enables the Council to waive any requirements within the contract procedure rules for specific projects.
- 3.2.2 Procurement exemptions should be signed by the Officer and countersigned by the Director of Resources and where appropriate the Chairperson of the Strategy and Resources Committee.
- 3.2.3 Delegation around the use of the reserves is prescribed within the Council's financial regulations: F1.3. The use of reserves is to be approved through the same authorisation process as virements where not approved as part of the annual budget or accounts processes or have specific delegation.

3.3 Virements

- 3.3.1 The following virements were agreed during this period.

Cost Code To	Directorate / Service	Cost Code From	Directorate/ Service	Budget Amount	Description
309/1370	Service Delivery - Rivers	256/4835	Resources Contingency	£18,000	To enable the St Peter's Flats lease outstanding debt to be settled to clear the way for new lease negotiations
702/8003	Service Delivery - capital Sensory Garden Play Equipment	705/8006	Service Delivery capital Skate Park resurfacing	£45,000	To allow for a programme of works for decommissioning current equipment and supply and installation of new play site equipment and safety surfacing
703/8004	Service Delivery - capital Blackwater Leisure Centre Air Handling Unit	706/8001	Service Delivery capital Parks Replacement Vehicles	£22,000	Installation of replacement air handling unit at Blackwater Leisure Centre

3.4 Supplementary Estimates

3.4.1 There were no supplementary estimates agreed during this period.

3.5 Procurement Exemptions

3.5.1 The following Procurement Exemptions have been agreed.

Item	Amount	Description	Reason	Lead Officer
1	£9,600	Air Quality Project	3 year contract to be awarded to Cambridge Environmental Research Consultants (CERC) to provide air quality forecasting services. CERC are the sole provider of this service.	Technical Lead, Environmental Protection
2	£86,645	Changing Places Installation at Blackwater Leisure Centre	3 month contract awarded to Colne Valley Contractors. These works are grant funded by Department for Levelling Up Housing and Communities (DLUHC), and given the challenging timescales for delivery (to be completed by 31 March 2024) and that the revised plans were only approved by DLUHC on 23 November 2023, there was insufficient time to commence the Maldon District Council (MDC) procurement process. This would have resulted in the grant funding being returned. Colne Valley Contractors are an approved contractor with our partner Places Leisure and they have supplied a written quote for the works.	Commercial Manager
3	£7,721	Prom Park Replacement Galleon – planning consultancy and delivery	Three month contract awarded to Real8 to deliver the planning application and all required reports and surveys throughout the whole planning process on behalf of the Council. Due to the urgency of replacing the Galleon play equipment, and the expertise of Real8 in this field, a procurement exemption was granted.	Assets and Maintenance Team Leader
4	£8,000	E-learning modules for Health & Safety Training	Awarded to First Health and Safety Ltd. They are providing a unique suite of e-learning health and safety modules which is particularly appropriate for MDC requirements. No other supplier has the correct mix of content.	Corporate Health & Safety Manager

3.6 Use of Reserves

3.6.1 The following drawdowns from reserves were agreed during this period.

Reserve	Drawdown amount	Reason for Drawdown
Transformation Reserve	£20,000	Contribution to North Essex Councils
Repairs and Renewals	£7,000	Burnham-on-Crouch cemetery works – new septic tank

4. CONCLUSION

4.1 The Committee is asked to:

- note the virements in paragraph 3.3.1;
- note the procurement exemptions in paragraph 3.5.1;
- note the drawdown from reserves in paragraph 3.6.1.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

5.1 Smarter finances

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

5.2 Provide good quality services.

5.2.1 The appropriate use of supplementary estimates, virement, procurement exemptions and reserves are agreed to support the delivery of good quality services within the Council's available budgets.

6. IMPLICATIONS

- (i) **Impact on Customers** – Sensory Garden Play Equipment, Changing Places disabled changing facilities.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk (including Fraud implications)** – None identified.
- (iv) **Impact on Resources (financial)** – As detailed in the report.
- (v) **Impact on Resources (human)** – None Identified.

Background Papers: None.

Enquiries to: Lance Porteous, Lead Finance Specialist.



REPORT of DIRECTOR OF STRATEGY AND RESOURCES

to
STRATEGY AND RESOURCES COMMITTEE
25 JULY 2024

HR POLICY UPDATE

1. PURPOSE OF THE REPORT

- 1.1 To provide an oversight of the changes made to the Council's employee Relocation Expenses Policy and seek its approval.

2. RECOMMENDATIONS

- (i) That the Relocation Expenses Policy be approved with amendments made as set out in section 3.7 below.

To the Council:

- (ii) That delegated authority be granted to the Head of Paid Service, in consultation with the Chairperson of the Strategy and Resources Committee, to approve statutory and procedural updates to Human Resources Policies and Procedures and the Council's Scheme of Delegation be updated accordingly.

3. SUMMARY OF KEY ISSUES

3.1 Relocation Expenses Policy Amendments

- 3.1.1 The Relocation Expenses Policy (**APPENDX 1**) was previously drafted and agreed in 2006 and last reviewed in 2014. It is designed to support new employees to relocate within a 25-mile radius of the Council offices, where they met certain criteria and is agreed during an offer of employment.
- 3.1.2 Whilst the Council continues to work in the hybrid approach, a request to relocate is not common. However, the role of the Chief Executive has been identified as a key role for regular attendance at Princes Road and therefore a review was considered necessary by the Lead HR Specialist to ensure the Policy remained fit for purpose and current to today's environment.
- 3.1.3 A relocation package allows the Council to source some of the best candidates from outside of the district to increase its talent pool and it is a tool to help attract those skills.
- 3.1.4 The maximum amount for costs in line with the current HMRC (HM Revenue and Customs) tax and national insurance exemption limit for the purposes of relocation, remains unchanged and capped at £8,000. These are called 'qualifying' costs and include the costs of buying or selling a home, move costs and buying certain things

for a new home. For qualifying costs over £8,000 these must be reported using a P111D form. It is not intended to increase the Council's offerings above the current, unreportable limit of £8,000.

3.1.5 To be eligible for a relocation package, you must first meet certain criteria provided by HMRC. These rules have been carried across into the Relocation Expenses Policy provided at **APPENDIX 1**.

3.1.6 Several changes are proposed by way of updating the policy to be more clearly defined for ease of use for both employees and the HR team in its application. This includes moving the previous Microsoft Word forms onto the internal Freshservice system to administer.

3.1.7 The key changes for consideration are;

3.1.7.1 Reimbursement was previously on a sliding scale of 1/36th where an employee exits the organisation within 36 months of joining. It is suggested that given the value is limited at £8,000, the sliding scale of reimbursement is reduced to 24 months.

3.1.7.2 That repayment will not be necessary in the event where employment ends through no fault of the employee such as redundancy, ill health, injury or disability;

3.1.7.3 In the event an employee does not relocate, all monies must be repaid in full; and

3.1.7.4 That approval for any relocation package to be offered must be agreeable by both the Head of Paid Service and Section 151 Officer, in consultation with the recruiting manager.

3.1.7.5 Relocation package is available to those being recruited into the role of Tier 1, 2 or 3 and must work in the office at least 40% of their working week (i.e., two days of five if full time).

3.1.8 It is unknown when the last time an employee sought relocation reimbursement through any offer of employment there is no knowledge of one being administered by existing staff or systems. It is very infrequently used.

3.2 **Delegated authority**

3.2.1 It has come to light the existing Member Constitution does not allow for any delegated authority to approve employee Policies and Procedures under the remit of Human Resources and staff.

3.2.2 As a direct impact of this, all Policies and Procedures must be brought before the Strategy and Resources Committee for approval.

3.2.3 To avoid the need for Members to see changes brought about through employment legislation and statutory updates which occur, this report seeks approval for amendments to Human Resources Policies and Procedures to be approved by the Head of Paid Service and that the Constitution to be amended to reflect this change.

3.2.4 The Committee will continue to see and approve Policies and Procedures which have any financial or staffing impact that are outside of statutory legislation, as it does now.

4. CONCLUSION

- 4.1 The Council supports a Relocation Expenses Policy that defines the boundaries of its application to support the employment offer to suited candidates when necessary.
- 4.2 Delegated authority is sought for the Head of Paid Service to approve amendments to Human Resources Policies and Procedures for statutory and procedural amendments.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

5.1 Supporting our communities

- 5.1.1 To provide packages to influence and engage with a wider pool of skills and diverse backgrounds to the benefit of the Council.

5.2 Helping the economy to thrive

- 5.2.1 Promoting movement within a 25-mile radius of the Council supports the development of the local area.

5.3 Smarter finances

- 5.3.1 Relocation Expenses is capped at £8,000 and reimbursed provided evidence is first given.
- 5.3.2 Ensuring a defined reimbursement plan and reasons for reimbursement to ensure the monies can be recycled into the Council.

5.4 A greener future

- 5.4.1 Encouraging the workforce to relocation closer to the Council offices reducing travel needs.

5.5 Provide good quality services

- 5.5.1 As per paragraph 5.1.1 above.

6. IMPLICATIONS

- (i) **Impact on Customers** – Promoting the Maldon District as a location to live and work.
- (ii) **Impact on Equalities** – Providing more opportunity to a wider pool of candidates by supporting the costs of relocating, allowing for greater opportunity to diverse candidates.
- (iii) **Impact on Risk (including Fraud implications)** – None.
- (iv) **Impact on Resources (financial)** – A clearer process to allow the Resources team to function within clearer and defined parameters.
- (v) **Impact on Resources (human)** – A clearer process to allow the Resources team to function within clearer and defined parameters.

Background Papers: None.

Enquiries to: Helen Norrington, Lead HR Specialist.

APPENDIX 1

Maldon District Council – Relocation Expenses Policy

Document Control Sheet

Document title	Relocation Expenses Policy
Summary of purpose	Maldon District Council aims to recruit the most talented individuals. This policy is intended to support this aim by providing assistance to new employees who have to relocate to take up a position.
Prepared by	Lead HR Specialist
Status	Final
Version number	4
Approved by	
Approval date	January 2006
Date of implementation	January 2006. Reviewed in November 2014. <u>Updated July 2024.</u>
Review frequency	
Next review date	When legislation requires
Circulation	All Staff
Published on the Council's website	

Validity Statement

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



Maldon District Council – Relocation Expenses Policy

1 Policy Statement

The Council recognises that taking up a new appointment can often result in additional expenses that would not have otherwise been incurred. This scheme provides financial assistance for new employees appointed to a post with the Council if as a result of the appointment they are required to move their place of residence in order to perform the duties of the post.

Relocation assistance is entirely discretionary. The Council will decide whether the individual is entitled to relocation assistance on a case-by-case basis depending on the situation and individual circumstances.

This Policy does not form part of a contract of employment. The Council reserves the right to amend or withdraw it at any time.

2 Amount available

The maximum level of relocation assistance provided by the Council is £8,000. This is the current HMRC tax and national insurance exemption limit for the purposes of relocation.

This amount will not be paid as a lump sum. The specific relocation costs that are eligible for reimbursement are covered in this policy.

For the avoidance of doubt, this policy provides for a contribution towards the cost of relocation only and is not intended to meet fully all costs associated with a relocation.

Commented [HN1]: New

3 Taxation

%

All offers of relocation under this scheme are subject to the rules set out in part 4, chapter 7 of the Income Tax (Earnings and Pensions) Act 2003 and administered by HM Revenue & Customs.

The individual is responsible for any statutory income tax and national insurance liability incurred as a result of receiving relocation assistance. The first £8,000 is exempt from tax and national insurance provided that certain statutory conditions are met, including that the new property is your sole or main residence.

The Council will not make any contributions above £8,000 as any amount over that is taxable benefit and will be reported to HM Revenue & Customs on form P11D by 6 July following the end of the tax year (5 April) in which the expense was reimbursed or the benefit was provided.

Commented [HN2]: New

4 Eligibility

You may be eligible to qualify for financial assistance if you meet all of the following criteria:-

- I. be a newly appointed member of staff and are permanently moving your main or sole residence to a different location;
- II. have not directly or indirectly received similar benefit(s) in connection with a spouse/partner from the Council or some other employer or institution;

APPENDIX 1

Maldon District Council – Relocation Expenses Policy

- III. eligibility for financial assistance must be included as part of your formal employment offer;
- IV. commencement of financial assistance must be within twelve months of starting your new appointment with the Council. The ~~Chief Corporate Services Officer~~ Head of Paid Service may extend this period in extenuating circumstances;
- V. you currently live more than 25 miles away from the District Council Offices;
- VI. You have a property to sell
- V.VII. You are to be employed to fill a Tier 1,2,3 role and your attendance at the office is necessary for at least 40% of your working week.

The ~~Head of Paid Service~~ Chief Corporate Services Officer may authorise financial assistance outside of this guide to take account of specific personal circumstances such as the location of a partner's employment or location of family and is subject to business needs.

3 Repayment of relocation assistance

Prior to any financial assistance being made available you will be required to sign an agreement which sets out repayment terms should you subsequently leave the Council for any reason within three years 24 months of starting work with the Council.

Employees must agree to repay some, or all, of the amount we give if:

- Their employment terminates within two years from the date of payment of the relocation expenses
- Or, they move out of the residential area agreed whilst still in the post, within two years of taking up the post.

repay the full amount of assistance given provided that a reduction of 1/36th of the amount shall be made for each full calendar month of completed service.

The amount repayable is reduced on a sliding scale as follows:

<u>Period of service (from the date of the first expenses payment made to you by the Council)</u>	<u>Amount to be repaid (as % of total expenses)</u>
<u>0-6 months</u>	<u>100%</u>
<u>7-12 months</u>	<u>50 %</u>
<u>13-18 months</u>	<u>25%</u>
<u>19-24 months</u>	<u>Reducing from 25% by one-sixth of 25% for each completed month from 19 months to 24 months</u>

In the event the employee does not relocate, any relocation assistance given up to the time that the move is aborted, must be repaid in full by the employee. This payment will be agreed for deduction from wages.

Repayment will not be necessary where the employment ends through no fault of the employee such as redundancy, ill health, injury or disability.

Commented [HN3]: New

4 Approval

The recruiting manager will get agreement with the Head of Paid Service and Section 151 Officer before any offer of a relocation package is discussed with the suitable candidate.

Maldon District Council – Relocation Expenses Policy

4 ~~Scale of benefit~~ Amount available

All claims must be supported by valid receipts and invoices. Please contact Human Resources who will help you process your claim if you have any questions. The Claim Form for use can be found on Freshservice.

Expenses will only be reimbursed if we think they are reasonable.

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Maldon District Council – Relocation Expenses Policy

Benefit	Level of Assistance – Capped at £8,000 in total
Sale and purchase of house (includes survey fee, estate agent's fees, <u>land registry fees</u> , and stamp duty where applicable)	Actual amount up to maximum of £5,000 including VAT
Removal <u>includes:</u> <ul style="list-style-type: none"> <u>Packing and unpacking</u> <u>Temporary storage if a direct move from the old to the new residence is not made</u> <u>Taking down domestic fittings in the old residence and reattaching them on arrival at new residence</u> 	In full against lowest of three quotations Full reimbursement for period of up to 13 weeks against the lowest of three quotations
Disturbance (includes miscellaneous expenses such as connection / <u>reconnection charges for utility services</u> , carpets, curtains <u>etc.</u>)	Actual amount to maximum of £1,000
<u>Cost of temporary Lodging or Rented Accommodation</u> <u>living accommodation</u>	Actual amount up to £100 per week for a maximum of 26 weeks
Travel Costs <u>(where two homes being maintained) when travelling between the old home and the new work location</u>	By Public Transport – Standard class twice a month for 6 months maximum By Car – 12 pence per mile up to a maximum of 1000 miles per month for six months
House Search Expenses	By Public Transport – Two Standard class fares By Car – 12 pence per mile to a maximum of 500 miles
<u>House Move Leave</u> <u>Additional Annual Leave to cover visits to the new residence or for the actual move</u>	Two additional days leave will be granted <u>to undertake the house move</u>

More information – See Freshservice or seek advice from Human Resources.

5 Expenses not eligible for reimbursement

They include:

- Interest payments for the mortgage on the employee's existing home, where this is maintained and /or rented out
- Payments for redirection of mail

Maldon District Council – Relocation Expenses Policy

- Council tax bills
- Purchase of new school uniforms for the employees children; and
- Compensation for losses such as having to give up a part-used season ticket, a penalty for giving insufficient notice of a child's withdrawal from a school, or the cost of joining a new sports or social club

Other forms of assistance such as financial advice, a home search service or help provided for an employee's spouse to find a job in the new location are also non-exempt expenses.

6 Making a claim

Claims can be made by submitting details through Freshservice, using Appendix 2. Reimbursement will only be made against expenses that are actually incurred and require proof of expenditure, such as original VAT invoices (not photocopies).

Any expenses will be reimbursed based on the actual costs incurred by the employee.

The line manager for the employee will need to confirm evidence has been seen in the original format and approve the claim before Resources are able to process the reimbursement.

Maldon District Council – Relocation Expenses Policy

Appendix 1: Relocation and Disturbance Allowance

Application for Relocation Expenses

Name: _____

Job Title: _____

Date to commence employment with Maldon District Council: _____

Current address, or address to which correspondence should be sent:

Telephone Number: _____

Do you have a property to sell: _____ YES / NO

Do you intend to claim the following?

• Temporary accommodation with one weekly return journey _____ YES / NO

• Daily Travel (maximum payment for 100 miles per day at lease car rate) _____ YES / NO

DECLARATION

1. I have read the Council's Relocation Scheme attached for newly appointed employees and agree to be bound by them in respect of this application. I confirm that neither I nor any of my household has made, is making, or will be making any other claim for reimbursement of relocation expenses in connection with this move either from the Council or any other sources.

2. I agree that if my employment terminates for any reason before I have completed 36 months service I will be required to pay the full amount of assistance given provided that a reduction of 1/36th of the amount shall be made for each calendar month of service.

3. I confirm that I am actively seeking to purchase a property and to sell my existing property / I am moving from rented accommodation into rented accommodation.

Signed: _____ Date: _____

Maldon District Council – Relocation Expenses Policy

Appendix 2: Relocation and Disturbance Allowance

Claim Form

Payments will only be made in line with the Council's Relocation Policy.

Any claim should be made within 2 years of joining the Council. Under the current income tax rules a maximum of £8,000 (inclusive of VAT) may be paid to an individual for relocation purposes tax free subject to HMRC conditions which are available at: <http://www.hmrc.gov.uk/guidance/relocation.htm>

Please complete the form below and return it together with all relevant paperwork, including all original receipts to Human Resources. Your claim will be processed as soon as possible.

Name (in capitals)			
Job Title and Service Area			
Start date			
Address moved from [please include post code]			
Address moved to [please include post code]			
Date of move		Mile radius of new address from place of work	

Details of claim (please attach all receipts)	Cost
Cost of preliminary visits [house search]	
Removal costs	
Temporary storage costs	
House sale/purchase (legal/estate agent/surveyors fees, stamp duty)	
Disturbance	
Moving from rented accommodation to rented accommodation	

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Maldon District Council – Relocation Expenses Policy

Lodging/two homes allowance	
Other [please specify]	
TOTAL CLAIM	

~~I understand if I voluntarily leave the Council's employment within 24 months of taking up the appointment, I will repay all sums paid by the Council under the scheme.~~

~~If I leave the Council's employment after 24 months but within 36 months of taking up the appointment, I will repay 1/36 of the sums paid by the Council under this scheme for each month of the 36 months served.~~

~~I understand that by signing this undertaking I am bound by these conditions and irrevocably authorising the Council to deduct the amount repayable from sums due to the me from the Council whether by salary or otherwise, prior to any payments being made.~~

Signature:	
Date:	

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