

Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish

# Cabinet

The meeting will be held at **7.00 pm** on **13 September 2017**

**Committee Rooms 2 & 3, Civic Offices, New Road, Grays, Essex, RM17 6SL.**

## Membership:

Councillors Robert Gledhill (Chair), Shane Hebb (Deputy Chair), Mark Coxshall, James Halden, Deborah Huelin, Brian Little, Susan Little, Sue MacPherson and Aaron Watkins

## Agenda

Open to Public and Press

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Agenda published on: **5 September 2017**

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# DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

## Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

## When should you declare an interest *at a meeting*?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

**What is a Non-Pecuniary interest?** – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

### Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- leave the room while the item is being considered/voted upon

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

### Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

**Vision: Thurrock:** A place of **opportunity, enterprise and excellence**, where **individuals, communities and businesses** flourish.

To achieve our vision, we have identified five strategic priorities:

**1. Create** a great place for learning and opportunity

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspiration and attainment so that residents can take advantage of local job opportunities
- Support families to give children the best possible start in life

**2. Encourage** and promote job creation and economic prosperity

- Promote Thurrock and encourage inward investment to enable and sustain growth
- Support business and develop the local skilled workforce they require
- Work with partners to secure improved infrastructure and built environment

**3. Build** pride, responsibility and respect

- Create welcoming, safe, and resilient communities which value fairness
- Work in partnership with communities to help them take responsibility for shaping their quality of life
- Empower residents through choice and independence to improve their health and well-being

**4. Improve** health and well-being

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being and safeguard the most vulnerable people with timely intervention and care accessed closer to home
- Enhance quality of life through improved housing, employment and opportunity

**5. Promote** and protect our clean and green environment

- Enhance access to Thurrock's river frontage, cultural assets and leisure opportunities
- Promote Thurrock's natural environment and biodiversity
- Inspire high quality design and standards in our buildings and public space

## Minutes of the Meeting of the Cabinet held on 12 July 2017 at 7.00 pm

The deadline for call-ins is Monday 24 July at 5.00pm

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**Present:** Councillors Robert Gledhill (Chair), Shane Hebb (Deputy Chair), James Halden, Deborah Huelin, Brian Little, Susan Little and Aaron Watkins.

**Apologies:** Councillors Mark Coxshall and Sue MacPherson

**In attendance:** Lyn Carpenter, Chief Executive  
Sharon Bayliss, Director of Commercial Services  
Sean Clark, Director of Finance & IT  
Steve Cox, Corporate Director of Environment and Place  
Roger Harris, Corporate Director of Adults, Housing and Health  
Jackie Hinchliffe, Director of HR, OD & Transformation  
Rory Patterson, Corporate Director of Children's Services  
Karen Wheeler, Director of Strategy, Communications and Customer Service  
Paul Feild, Legal Representative  
Kenna-Victoria Martin, Senior Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

### **12. Minutes**

The Minutes of Cabinet, held on 21 June 2017, were approved as a correct record.

### **13. Items of Urgent Business**

There were no items of urgent business.

### **14. Declaration of Interests**

There were no declarations of interest.

### **15. Statements by the Leader**

The Leader addressed Portfolio Holders and in doing so gave an update following the incident at the Grenfell Tower Block. He assured Members the cladding used on the tower blocks within Thurrock was not the same as used in the Grenfell Tower and the cladding was O rated which meant it was non-flammable.

He further notified Cabinet that even though the Government had not required samples for testing the Council would be going forward with independent testing just to make sure that residents were safe. Councillor Gledhill confirmed residents' meetings had been held at all of the tower blocks in the Borough or at the Civic Offices, he thanked those who attended for their feedback.

Councillor Gledhill welcomed Councillor Aaron Watkins onto Cabinet as the new Portfolio Holder for Environment. The Leader thanked Councillor Tolson for her service as Cabinet Member for Environment. He continued by updating Members on the Clean it, Cut it and Fill it campaign in that:

- Enforcement Officers had issued 39 Fixed Penalty Notices (FPNs) bringing the total 1,672 since December. An additional 14 prosecutions were brought against people for not paying the FPN, resulting in them receiving a much larger fine and a criminal record.
- Since April the council had collected 22,425 bags of litter from litter picking across the borough and emptied the equivalent of 11,895 litter bins.
- Since April over 1,000 hectares of grass had been cut and from 79 parks and green spaces an additional 4,630 bags of rubbish had been removed and another 1.6 tonnes of fly tipping.
- 2068 potholes had been filled since April. Major resurfacing works were underway as part of the National Productivity Investment Fund which included Argent Street, Hogg Lane and Buckles Lane which had all been completed and were resurfaced.

The Leader was pleased to announce the council were working with Hyperoptic to provide affordable broadband to social housing tenants. This would mean Thurrock residents within our social housing developments would be able to choose from a number of affordable broadband and landline packages provided by Hyperoptic. He continued by explaining Hyperoptic would initially be making its service available to 1700 tenants across 12 developments in Thurrock, the first to launch would be the Marina Court development in Purfleet.

Lastly Councillor Gledhill mentioned there had been 22 gas leaks in London Road in recent years which required urgent attention. He advised that from 24 July to 1 September the first phase of works would be delivered.

#### **16. Briefings on Policy, Budget and Other Issues**

There were no items on policy, budget or other issue reported to the Cabinet.

#### **17. Petitions submitted by Members of the Public**

There were no petitions submitted.



## **18. Questions from Non-Executive Members**

The Leader of the Council advised that one question had been submitted. Councillor Gledhill invited Councillor B. Rice to read the question that she had submitted.

*“Thank you for giving me the opportunity to ask this question from our sheltered housing residents who have asked me to speak for them. The question that I would like to ask, Leader, is in these times of austerity, where every single penny counts, can the Leader please tell us what additional services or commodities will be provided for sheltered housing tenants for the extra £10.00 per week that, if it is voted through tonight will go ahead in 22 months?”*

In response the Leader of the Council advised *“As the report makes clear this proposal, which obviously still hasn’t been agreed as yet, will ensure that over 36 services the council provides, not only to sheltered tenants but all those general tenants, will be added as a service charge. Those service charges will be paid for by those that receive them, not by everybody in some archaic, all inclusive rent system”*

Councillor B. Rice was offered a supplementary question in which she asked:

*“That being the case, I’m pleased to hear that. So, are you telling us tonight, Councillor Gledhill, that all of the £3million plus will be invested and used for our sheltered housing tenants, and not for other properties? Because the paper clearly states, and you have said, that we can’t have people paying for other services, or others that don’t live there getting a freebie.*

*So can you assure us tonight that in 22 months’ time when we are collecting the full rate, which is £3million, all of that is going to be invested for our sheltered housing tenants?”*

The Leader reported that *“The amount of money that’s collected by service charges can only be used for those services. The good thing about service charges is should, through contract negotiation or whatever, the cost of supplying that service goes down then obviously the cost can also go down. Should we supply more services or have to increase it because of increased costs again that service charge will be increased, but all of that money is only spent on those services. It’s not distributed elsewhere it’s just for the service charge or goods that they’re actually paying for.”*

Councillor Gledhill thanked Councillor B. Rice for her question and advised that item 13 was to be brought forward to be the first item heard.

## **19. Proposed Housing Revenue Account Service Charges (Decision 01104434)**

Councillor Gledhill, Leader of the Council, introduced the report which provided a follow up on the Cabinet report presented in February 2017 which

agreed to go out to consultation on proposed extensions to service charges in both general tenancies and sheltered tenancies.

In introducing the report the Leader of the Council made the following key observations:

- The proposal to extend charges in sheltered accommodation to all tenants however at a reduced rate following resident consultation and would be phased over three years reaching £10.00 per week by April 2019.
- The proposed charges were eligible for Housing Benefit and currently 72% of tenants living in sheltered accommodation were on full or partial Housing Benefit and would not be affected by the proposal.
- In relation to General Housing needs, tenants were charged individually for management services such as grounds maintenance, heating and lighting of communal areas and lift maintenance and repair.

Councillor S. Little welcomed the report and sought as to what improvements would be made moving forward.

The Leader and Portfolio Holder for Housing explained that Service Level Agreements (SLAs) would be introduced for all tenants and contractors, thus giving tenants the ability to hold the council to account if there were any problems. Councillor Gledhill mentioned it was not only Thurrock who were to introduce service charges, other Local Authorities such as Havering had introduced service charges for bulk waste collections.

**RESOLVED that Cabinet:**

- 1. Noted the responses to the consultation carried out from March 1st to March 28th 2017 on the proposed changes to service charges for Council tenants.**
- 2. Noted the actions which are planned as an outcome of the consultation to improve the service for sheltered housing tenants.**
- 3. Agreed to the proposed changes to service charges for sheltered housing, starting at £ 5.00 pw from 1st October 2017, increasing to £ 8.00 pw from 1st April 2018 and then for all sheltered tenants to £ 10 pw from 1st April 2019.**
- 4. Agreed to the proposed introduction of specific service charges for general needs tenants which are currently only paid by leaseholders, as detailed in 2.15**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**20. Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee**

The Leader of the Council informed Members that no matters had been referred to the Cabinet by an Overview and Scrutiny Committee.

**21. Appointments to Outside Bodies, Statutory and Other Panels**

The Leader of the Council notified Members that Councillor MacPherson had been nominated to sit on the Thurrock Community Safety Partnership, to replace Councillor Tolson.

**22. End of Year Corporate Performance and Progress Report 2016/17 and Corporate Performance Framework 2017/18 (Decision 01104432)**

Councillor Huelin presented the report to Members, highlighting that the End of Year Corporate Performance Report compared the performance against last year's corporate scorecard with progress against the related actions/projects as outlined in the Corporate Priority Activity Plan for 2016/17. She continued to notify Cabinet that 96% of schools had been awarded good or better from Ofsted.

Councillor Huelin commented that 60% of targets were being met, which was an improvement on the previous year with continuous improvements being made. She further mentioned the Customer Service Strategy had been agreed and a Working Group had been set up to discuss the vision for Thurrock. It was noted that a repeat of the resident survey would be undertaken to seek residents' views for the Borough.

Councillor S. Little thanked the Portfolio Holder for her report. She continued to highlight the success of the Give a Gift campaign and expressed the community spirit was wonderful to witness. Councillor S. Little was pleased to announce that the campaign would be re-run this year.

Councillor Hebb welcomed the report and commented it had a clear message, that Thurrock Council was better now than it was a year ago. He continued to state that removing the Red, Amber, Green ratings enabled officers and Members to see clearly targets that were being achieved and now the council had a 60:40 percent on performance.

The Portfolio Holder for Finance and Legal Services further stated that in the last year of the Administration being in power they had enabled and maintained the Clean it, Cut it and Fill it scheme, on top of delivering an agreed budget, with an £0.5million surplus and £10million funding from Government into the redevelopment of Grays.

Councillor Halden stated that this year more children were offered their first choice on school places, making it the highest record to date. He further advised that the Council's Youth Offending Team had been named the best nationally.

The Leader addressed Members stating he was pleased to see transparency within the Key Performance Indicators (KPIs). He continued by highlighting that not all failed KPIs were necessarily within the council's power - as mentioned within the report, the performance of the number of places available for two year olds to access early years education in the borough was noted as a failure. However as explained within the commentary the target for the indicator was set nationally and did not reflect the actual need within Thurrock as there had been a decrease in the number of eligible children in Thurrock. Therefore, more than enough places were available to families.

Councillor Gledhill advised that moving forwards the performance for clean streets would be audited by an independent auditor, Keep Britain Tidy. He thanked officers for their hard work.

**RESOLVED That Cabinet:**

- 1. Noted and commented upon the progress and performance against the corporate priorities for 2016/17 – Appendix 1 and Appendix 2**
- 2. Agreed the corporate performance framework for 2017/18 (Appendix 3)**

**23. Thurrock Design Guide - Residential Alteration and Extension Supplementary Planning Document (SPD) (Decision 01104433)**

The Leader presented the report on behalf of the Portfolio Holder for Regeneration, in doing so addressed Cabinet notifying Members the Thurrock Design Guide for Residential Alteration and Extensions was one of a series of design-related policy documents produced by the Council with ambition to raise development standards and environmental quality across the Borough.

Councillor S. Little welcomed the report and observed how clearly written the document was. She commented that it was easy for residents to understand and set out plainly the dos and don'ts. The Portfolio Holder for Adults and Children's Social Care continued by stating she felt the report encouraged residents to be creative when designing extensions to their homes, thus creating diversity within the borough.

The Leader echoed Councillor S. Little's comments and informed Members he knew Councillor Coxshall was very proud of the document.

**RESOLVED that Cabinet:**

- 1. Adopt RAE Design Guide (Appendix A) as a Supplementary Planning Document to the adopted Core Strategy and Policies for the Management of Development Local Plan**

**2. Endorse RAE Design Guide (Appendix A) as a material consideration in the determination of planning applications.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**24. The Procurement of an Integrated Sexual Health Service for 2018-2023 (Decision 01104435)**

The Portfolio Holder for Education and Health addressed Members advising them that Cabinet had previously agreed a one year extension for the NELFT contract which was due to end in March 2018, with delegated authority between Director of Public Health in consultation with the Portfolio Holder for Education and Health.

Councillor Halden continued by commenting that the teenage pregnancy rate was at a record low and the service was important as it gave young people access to support.

**RESOLVED that Cabinet:**

- 1. Agreed to proceed to tender as set out in this report for the delivery of Integrated Sexual Health Services starting on 1st April 2018.**
- 2. Agreed delegated authority for award of contract to the Director of Public Health in consultation with the Portfolio Holder for Education and Health.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**25. Integrated Medical Centre Delivery Plan - Phase 1 (Decision 01104436)**

The Portfolio Holder for Education and Health reported previously that Cabinet had given approval to the Council to lead on the delivery of a Health Hub to be located in the Civic Square in Tilbury.

Councillor Halden continued that the report outlined the first steps in providing the new complex models, offering the necessary facilities to residents.

The Portfolio Holder explained the Integrated Medical Centre would form one of four hubs across the borough. He highlighted the remaining three hubs would be:

- Corringham / Stanford le Hope
- Grays
- Purfleet

The Leader of the Council declared that he was the Chair of one of the Patient Partnership Groups, however assured Members that the report did not affect the group in anyway.

Councillor S. Little welcomed the report outlining she felt the new Integrated Medical Centres would assist in stopping inequality in the service provided to residents.

Councillor Watkins thanked the Portfolio Holder for his report, stating it was pleasing to see the first steps were being taken in the right direction.

The Portfolio Holder for Education and Health remarked current GP surgeries were outdated and in some case were run from poor accommodation. He continued by stating the new centres would attract patients and all designs were in line with the GP standard plan. Councillor Halden advised the Hubs would have the facilities to treat conditions for which residents may attend Accident and Emergency (A&E), meaning effective treatment within a community setting.

**RESOLVED that Cabinet:**

- 1. Agreed to the Council, in principle, taking the lead role in the capital development of the Tilbury and Chadwell IMC noting that this will require investment of council funds that will be met from the amount agreed by Council for the future and aspirational capital programme and is subject to a future business case being agreed by Cabinet.**
- 2. Agreed to the Council procuring a design team for the project on a phased basis and delegate authority for appointment to the Corporate Director of Adults, Housing and Health, in consultation with the Corporate Director of Environment and Place, Portfolio Holder for Education and Health and Portfolio Holder for Regeneration.**
- 3. Agreed to receive a further report outlining the preferred route for the development of the Purfleet Integrated Medical Centre.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**26. 2016/17 Financial Outturn Report (Decision 01104437)**

Councillor Hebb, Deputy Leader and Portfolio Holder for Finance and Legal Services introduced the report which provided a high level summary on the outturn for 2016/17 for the General Fund, Housing Revenue Account and Capital Programme.

He continued by stating the key message was in the context of the pressures noted within the General Fund Reserve balance, which had been maintained

at £8million and the Housing Revenue Account Balance had increased from £1.7million to £2.1million. Councillor Hebb explained, this meant that overall expenditure had been achieved within the overall budget envelopes and as agreed at Full Council, the Council had begun a three-yearly incremental increase of its General Fund Balance.

The Portfolio Holder for Finance and Legal Services highlighted the £0.5million surplus and the start of the cross party Council Spending Review process. He observed the ambitions of the council becoming 'self-service' and learning from the lessons of the previous year.

Councillor Hebb remarked that the table within the report at 2.2 summarised the outturn position in line with new financial reporting requirements, including the need to compare against the prior year. He continued by stating with cross party working and robust processes the council was working in the right direction.

The Leader commented on the Housing Revenue Account (HRA), citing the new build programmes and the right to buy scheme. He further mentioned the decision at Full Council to contact the Government to seek a removal of the cap on borrowing within the HRA.

**RESOLVED that Cabinet:**

- 1. Noted that the General Fund net expenditure has, despite in-year pressures and the discretionary investment of the Clean It, Cut It, Fill It campaign, been met within the overall budget envelope and the General Fund Balance has been maintained at £8.000m;**
- 2. Noted that the balance on the Housing Revenue Account Reserve at 31 March 2017 has increased to £2.175m due to one off savings; and**
- 3. Noted that there was a total of £44.297m in capital expenditure and some of the key projects have been set out in section 5.**

Reason for Decision – as stated in the report  
This decision is subject to call-in

**The meeting finished at 8.03 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

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Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**



<b>13 September 2017</b>	<b>ITEM: 10</b> (Decision 01104438)
<b>Cabinet</b>	
<b>Revenue Budget Monitoring – Quarter 1 June 2017</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor Hebb, Portfolio Holder for Finance and Legal Services	
<b>Accountable Assistant Director:</b> Sean Clark, Director of Finance and IT	
<b>Accountable Director:</b> Sean Clark, Director of Finance and IT	
<b>This report is public</b>	

## Executive Summary

This report presents the forecast outturn position for 2017/18 as at the end of June 2017. The approach to budget management has been reviewed in order to focus attention on high risk areas and introduce a level of self service for smaller lower risk budget areas. Monitoring is structured around the key focus areas – employee spend, income, high risk demand led budgets and delivery of the agreed savings programme.

As at the end of June 2017, current projections indicate a General Fund pressure of £1.050m that must be managed in order to outturn within budget by the 31 March 2018. Identified pressures include Children’s Social Care and Environment primarily due to increasing waste disposal costs. Whilst this forecast shows a projected deficit, officers are confident that continuing action will keep the budget within the agreed budget envelope.

The DSG is forecasting pressures within the High Needs Block but steps are being taken to review the position within the DSG with the service and the Schools Forum in order to address these pressures. The HRA is forecasting a breakeven position.

### 1. Recommendation(s):

- 1.1 **That Cabinet note the forecast outturn position for 2017/18 and that further mitigation is required to outturn within the agreed budget envelope.**

## 2. Introduction and Background

- 2.1 In February 2017, Council agreed the overall General Fund and HRA budgets. The General Fund budget included savings of £6.896m which were identified as part of the Council Spending Review through the Strategic and Transformation Board process.
- 2.2 The report sets out the latest forecast outturn position for 2017/18. The approach to budget management has been reviewed in order to focus attention on high risk areas and introduce a level of self service for smaller lower risk budget areas. Monitoring is structured around the key focus areas – employee spend, income, high risk demand led budgets and delivery of the agreed savings programme.
- 2.3 The new budget information system went live at the start of 2017/18 allowing budget holders access to financial information instantly rather than the previous need to await monthly finance reports. The latest forecast position is also held within the system and updated monthly through liaison with the finance team.
- 2.4 As well as reporting on the position for the General Fund and HRA, the monitor also includes the position of the DSG and Public Health grant.

<b>General Fund Position by Directorate</b>	<b>Full Year Budget £000</b>	<b>Forecast £000</b>	<b>Variance From Budget £000</b>
Adults, Housing & Health	33,644	33,511	(133)
Housing General Fund	2,166	2,166	0
Children's Services	34,657	36,196	1,539
Environment & Place	27,994	28,444	450
Finance & IT	7,611	7,452	(159)
HROD	4,110	4,110	0
Strategy, Comms & Customer Services	2,541	2,541	0
Legal Services	2,187	2,187	0
Commercial Services	549	549	0
Central Expenses	(1,748)	(2,395)	(647)
<b>Total</b>	<b>113,711</b>	<b>114,761</b>	<b>1,050</b>

### 3. General Fund Position

#### Adults, Housing & Health - £0.133 underspend

- 3.1 The ASC outturn position reflects the additional funding allocated through the ASC precept and one-off grant for 2017/18. The position should be considered in the view of a range of ongoing pressures for the Directorate. These are predominately the volatility of the domiciliary homecare market – Thurrock has had to take a number of homecare contracts back in-house over the past 18 months. Following legal advice and CQC guidance the intention is to transfer staff from the current agency delivering approximately 1,200 care hours per week to our in-house provision, this will have a significant cost implication as the service has been under-resourced for a long period of time and the additional management support required in this area to ensure safe service delivery needs to be implemented. There is a current recruitment exercise underway in this area.
- 3.2 Placements for people with Learning Disabilities remains an ongoing pressure due to the bespoke nature of the packages required to meet the identified needs. ASC has a good process in place for identifying upcoming placements and planning appropriate provision but the risk remains and at the end of Q1 the potential impact of these placements needs to be considered with regards to the demand led nature of the business.
- 3.3 Income towards placements continues to be a potential budget risk due to the constant reassessment of clients' financial situations and their ability to contribute towards their care packages and this will be closely monitored throughout the year.

#### Housing General Fund - Breakeven

- 3.4 In 2017/18 the Homelessness function received £0.306m by way of the Flexible Homelessness Support Grant. Part of this has been used to offset the reduction in subsidy from the DWP for those in Temporary Accommodation. Without receipt of the Grant in 2017/18 there would be a forecast overspend of £0.168m on Homelessness. The Grant mitigates this overspend with any remainder being earmarked for preventative initiatives. The number of Households in Temporary Accommodation is shown below. From May to June the overall number of Households in Temporary Accommodation reduced from 143 to 135.

Homelessness Placements	April	May	June
B&B (Hotels)	25	24	6
Hostels	24	29	29
Private Lettings (Nightly Lets)	44	48	47
Furnished Lets (Council Stock)	38	37	48
Refuge	5	5	5
<b>Total</b>	<b>136</b>	<b>143</b>	<b>135</b>

### Children's Services – £1.539m overspend

- 3.5 The Directorate is forecasting an overspend of £1.539m. This is primarily due to pressures within social care of £1.635m (breakdown below) and offset by expected underspends of £0.074m and £0.022m within Learning and Universal Outcomes and Central Administration Support respectively.

<b>Children's Social Care Pressures</b>	<b>£m</b>
Staffing (inc Agency)	0.225
Legal Costs/Support (complex cases)	0.330
Loss of CCG contribution	0.350
Placements	0.230
Aftercare (over 18s)	0.360
Children with disabilities	0.140
<b>Total</b>	<b>1.635</b>

- 3.6 It is important to note that the position assumes the work on the aftercare placement budget will continue to drive down costs. Action has already been taken to review placements when children reach 18 and placement costs are reducing. Systems are in place to ensure that a robust response is maintained so that future expenditure is contained.
- 3.7 Given the current levels of unaccompanied asylum seeking children it is forecast that the budget will breakeven in 2017/18. This follows continuing reductions after the introduction of the Eastern Regional Protocol. At the existing rate of reduction we anticipate there being about 30 UASC by the end of 2017/18, which is just above our threshold rate of 28.
- 3.8 The Corporate Director continues to review high cost residential and fostering placement costs on a monthly basis and where safe to do so are reduced as the service focuses on achieving better value and more appropriate placements for young people.
- 3.9 Additional legal costs have been incurred due to the volume - currently there are 56 cases covering 113 children – and complexity, especially in terms of multiple sibling families. Work is underway to permanently recruit and reduce staffing costs.
- 3.10 Education transport forecasts are based on planned work as a part of a service review. As the routes for the new academic year will not be known until September there may be an adjustment needed to the predicted year end position.
- 3.11 Finally, the CCG has withdrawn financial support towards those high cost placements with complex needs – discussions need to take place with the CCG to explore this further.

- 3.12 The Directorate has a programme of work to reduce expenditure including the re-commissioning of placement provision, changes to accommodation in Aftercare and the continued reduction in agency staff.

### **Environment & Place - £0.450m overspend**

- 3.13 The Directorate is forecasting an overspend of £0.450m with the pressure primarily within the Environment service. This includes waste disposal contract extension costs (additional cost of £0.075m, whereas a £0.025m saving had been budgeted) and a higher cost of disposal due to increasing waste tonnages of £0.220m. Pressure of £0.080m is anticipated within the Library service in respect of the Library review budget saving as no changes are anticipated to the service offer imminently and there is significant pressure on the council's book fund. Pressure of £0.050m is forecast due to the provision of additional resource to cover public health work within the public protection function regarding fly tipping in the borough.
- 3.14 There are further financial risks within the Environment service which are not currently recognised within this forecast, however, may result in additional pressure later in the year. Primarily the cost of bringing the Civic Amenity site back in-house, now known as the Household Waste Recycling Centre (HWRC). The contract for site management expired with the existing contractor making it clear that they were unable to operate the site on a breakeven basis and therefore despite the offer of an increased management levy they had no appetite to extend. The requirement to redevelop the site, volatile waste disposal costs and the requirement to undertake a fundamental review of waste acceptance policy at the site meant that putting the site out to tender as-is was deemed not to be a viable proposition. The current increased costs being incurred on the site reflect their concerns as costs are high and are likely to include elements of trade waste abuse.
- 3.15 It is important to note that had this contract been re-tendered not only would these costs have been included in the contract value, but prices would also incorporate the requirement for a profit margin and contingency to reflect the national trends in waste disposal costs, so in effect the Council is best placed in controlling costs while the site is redeveloped and improved operational practises are implemented.
- 3.16 Waste disposal contracts are being re-procured in Q4, therefore, disposal costs are known until December 2017 but may change after this time. National data suggests that gate fees for waste disposal are increasing for landfill, stable for energy from waste which is not out for re-procurement, recycling gate fees are volatile and In Vessel Composting fees are stable however the gate fee will be increased due to the new contract rates being 7 years on from those agreed at the last contract. These pressures combined suggest that the re-procured contracts will deliver a budget pressure.
- 3.17 The tender process for a new fleet has been completed and officers are in the process of awarding the contracts and confirming procurement. However, during this lead in time, aging vehicles working beyond their life expectancy poses a potential financial risk. There has been an increase in vehicle hire to

ensure service continuity and the success of route optimisation and to address the recent vehicle issues experienced in June. Similarly, to ensure that gritting equipment is available and in place for the winter season, as procurement activity will not guarantee the new gritters from the start of the season.

- 3.18 A further financial risk within Planning and Growth is a possible national Class Action regarding planning fees (estimated at £0.180m).
- 3.19 The waste service has been under increasing pressure given the level of demographic growth within the borough, and future growth aspirations will only add to waste collection and disposal requirements. The longer term financial risk this poses will need to be reviewed in order to inform the MTFS and future funding requirements.

#### **Finance & IT - £0.159m underspend**

- 3.20 The Directorate is forecasting to underspend due to savings within ICT. There is ongoing risk to this position due to pressure on employee spend due to agency staff covering vacant posts and providing much needed capacity. There is also risk to the delivery of savings targets, most notably postage within Revenues and Benefits.

#### **HROD – breakeven**

- 3.21 The service is forecasting a breakeven position. There are no risks identified at this stage.

#### **Strategy, Communication & Customer Services – breakeven**

- 3.22 The service is forecasting a breakeven position with pressures within employee budgets being managed.

#### **Legal Services – breakeven**

- 3.23 The service is forecasting a breakeven position with no significant budgetary risks identified.

#### **Commercial Services – breakeven**

- 3.24 The service is forecasting a breakeven position.

#### **Central Expenses - £0.647m underspend**

- 3.25 This budget covers a number of corporate expenditure items including treasury management costs (interest paid on loans and received from investments), the annual contribution to the Essex Pension Fund to meet the current actuarial deficit and the allocation for the Minimum Revenue Provision. The Directorate is forecasting to underspend primarily due to an improved treasury position.

- 3.26 In consultation with the council's external auditors, an agreement was reached on the accounting treatment on an advanced payment to the pension fund that resulted in a £0.106m saving per annum for the next three years. However, this is partially offset by an increase in the levy charged to Thurrock for the Coroners Court after Essex Police pulled out of the funding agreement.
- 3.27 There is an emerging pressure from families with no recourse to public funds who have no legal status. Work is ongoing with the Home Office to enable a member of their staff to be seconded to Thurrock so that applications to remain can be processed more quickly.

#### 4. Housing Revenue Account

	<b>Full Year Budget £000</b>	<b>Forecast £000</b>	<b>Variance from Budget £000</b>
Repairs and Maintenance	10,198	10,765	568
Housing Operations	12,212	11,722	(490)
Financing and Recharges	25,276	25,199	(77)
Rent and Income	(48,039)	(48,039)	0
Development	353	353	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 4.1 As at the end of June the HRA is forecasting a breakeven position. Pressures within Repairs & Maintenance are due to contractual obligations, health and safety works and compliancy work which are being offset by holding posts vacant within Housing Operations. Income is expected to be on budget. The collection rate at the end of June 2017 is 92.5% against a profiled target of 85%. Leaseholder Service Charge estimated bills have been issued to Leaseholders and are in line with budget.
- 4.2 The Grenfell Tower fire has resulted in some additional spending on fire safety measures, the total impact of which is relatively small at present due to the high level of assurance already in place (and the absence of any 'suspect' elements from Thurrock's tower block cladding and insulation materials). As a further contingency, a total further potential pressure of £1m is possible. This reflects the possibility of larger spending items being required, in particular the retro-fitting of sprinkler systems in all blocks, which may be a potential outcome of the review into the Grenfell fire. The service will consider this and other potential further fire safety enhancements later in the year, by which point a number of current uncertainties should be resolved, principally through the following;
- a) An updated asset database through the Stock Condition Survey,

b) Independent confirmation that Thurrock's cladding materials are non-inflammable, and

c) More clarity on the government's expectations of all social landlords in the wake of the tragedy.

## 5. Public Health

- 5.1 The Public Health grant reduced in 2017/18 by £0.286m. The team have worked hard to manage statutory services in the most efficient way, most notably through the re-procurement of the Healthy Families Programme (previously known as 0-19) and other commissioned services.
- 5.2 An element of the Drug and Alcohol service is demand-led and the Public Health team have entered in to a risk sharing agreement with providers to help manage this financial pressure.
- 5.3 Services for sexual health have ongoing issues with cross charging between local authorities. Steps have been taken to make this primarily a provider responsibility and to share the financial risks. However, there is still potential for Thurrock to face legal challenges related to historical claims.
- 5.4 An element of the grant is being paid to providers to deliver the Thurrock Healthy Lifestyle Service on a performance related basis and it is expected this will lead to efficiencies within the service.
- 5.5 Current projections indicate an underspend of £0.303m which is intended to be carried forward as part of the ringfence to help manage expenditure in 2018/19.

<b>Public Health</b>	<b>£000</b>
2017/18 grant allocation	(11,333)
2016/17 carry forward	(424)
Estimated 2017/18 spend	11,454
<b>Expected carry forward to 2018/19</b>	<b>(303)</b>

## 6. Dedicated Schools Grant (DSG)

- 6.1 Current projections indicate pressure of £1.969m within the DSG.
- 6.2 The total allocation for 2017/18 is £145.55m prior to recoupment and £55.12m after recoupment. Therefore, against the £55.12m the council receives, the latest monitoring is forecasting an in-year pressure of £1.969m mainly within the high needs block (HNB):



2017-18 DSG Forecast Outturn						
	Budget (£millions)	Recoupment (£millions)	TOTAL (£millions)	OUTTURN (£millions)	YEAR END Forecast Variance (underspend) overspend £millions	% over (underspend)
Schools Block	112.57	87.04	25.53	25.67	0.136	1%
High Needs Block	21.75	3.39	18.36	20.19	1.833	10%
Early Years Block	11.23	-	11.23	11.23	-	
<b>TOTAL</b>	<b>145.55</b>	<b>90.43</b>	<b>55.12</b>	<b>57.09</b>	<b>1.969</b>	<b>4%</b>

### Schools block - £0.136m pressure

6.3 When the schools block formula was set, £1.250m was earmarked for growth and expanding classes within schools. Current projections indicate forecast allocations of £1.386m, therefore a pressure of £0.136m due to growth allocations to schools.

### High needs block - £1.833m pressure

6.4 The high needs block is forecasting a pressure of £1.833m mainly due to areas of growth within the borough of statements/Education Health and Care (EHC) plans and transport costs:

- Independent school fees transport costs £0.293m
- Home to school transport costs £0.458m
- High needs/Special Educational Needs and Disabilities SEN(D) children top up payments to maintained schools £0.108m
- High needs/SEN(D) children top up payments to academies and PVI settings £0.346m
- Payments in support of children and young people with SEN(D) £0.187m
- Learning and universal salary pressures £0.321m
- Education and specialist salary pressures £0.120m

6.5 A sub working group from Schools' Forum has been established with representatives from the Forum and officers from the Council to conduct a strategic health check and review of the DSG, working collaboratively to identify savings in future working initiatives and practices and to recover the position.

## 7. Employee Spend

7.1 At the end of Quarter 1, projections indicate pressure of £0.611m on Employee budgets.

7.2 This is primarily within Adults and Children's Services. Adults are containing this pressure within non-employee budgets. The Children's pressure forms part of the reported pressure within the Directorate position in paragraph 3.5.

- 7.3 Managing spend on agency staff continues to be a focus for officers with alternative options considered where possible. Projected spend on agency is broadly contained within underspends on permanent staff budgets.

<b>Employee Spend by Directorate</b>	<b>Full Year Budget</b>	<b>Permanent Staff Forecast</b>	<b>Agency Staff Forecast</b>	<b>Total Forecast</b>	<b>Variance From Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Adults, Housing & Health	14,579	13,516	1,449	14,965	386
Housing GF	970	772	102	874	(96)
Children's Services	22,462	19,361	3,326	22,687	225
Environment & Place	17,401	15,918	1,546	17,464	63
Finance & IT	7,481	7,051	409	7,460	(21)
HROD	4,016	3,983	33	4,016	0
Strategy, Comms & Customer Services	3,153	3,186	20	3,206	53
Legal Services	1,993	1,518	475	1,993	0
Commercial Services	701	657	45	702	1
<b>TOTAL</b>	<b>72,756</b>	<b>65,962</b>	<b>7,405</b>	<b>73,367</b>	<b>611</b>

## 8. External Income

- 8.1 As at the end of Quarter 1, the full year forecast for external income is reporting a £0.471m shortfall.
- 8.2 The £0.447m shortfall in Children's is as a result of significant shortfall in Day Nurseries of £0.329m. The pressure relates to income generated through fees and charges, however, the pressure is being managed through additional income through parental contributions and funded places through the Dedicated School Grant (EY Block) resulting in a net pressure for Nurseries of £0.094m. Work will be undertaken through the Commercial Board to investigate further and review income expectations. Budgets will be reviewed in respect of clarifying the split between income from fees and grant funding and updated accordingly.

- 8.3 The £0.122m shortfall in Environment & Place is primarily due to shortfalls in Facilities (Civic & Thameside) of £0.157m due to delays in the rental income targeted for CO1/2 developments and delays in the WIFI/Small Cell & Rooftop Concession income proposal. This is partially offset by a projected £0.134m gain in Environment Enforcement income. Environment Enforcement budgets will be reviewed and updated to reflect the latest position in respect of current enforcement initiatives. The Commercial Board will investigate the shortfall in Facilities income.

Directorate	Last Year Outturn 16/17 £000	Full Year Budget 17/18 £000	Forecast Outturn 17/18 £000	Budget Variance 17/18 £000
Adults	(308)	(217)	(255)	(37)
Children's	(4,395)	(5,289)	(4,842)	447
E&P	(5,273)	(5,000)	(4,878)	122
Housing GF	(149)	(79)	(138)	(59)
Legal	(3)	(92)	(93)	(1)
<b>Total</b>	<b>(10,129)</b>	<b>(10,680)</b>	<b>(10,209)</b>	<b>471</b>

## 9. Reasons for Recommendation

- 9.1 The Council has a statutory requirement to set a balanced budget annually. This report sets out the budget pressures in 2017/18 along with actions to mitigate these pressures and deliver a breakeven position.

## 10. Consultation (including Overview and Scrutiny, if applicable)

- 10.1 This report is based on consultation with the services, Directors' Board and portfolio holders.

## 11. Impact on corporate policies, priorities, performance and community impact

- 11.1 The implementation of previous savings proposals has already reduced service delivery levels and the council's ability to meet statutory requirements, impacting on the community and staff. There is a risk that some agreed savings and mitigation may result in increased demand for more costly interventions if needs escalate particularly in social care. The potential impact on the council's ability to safeguard children and adults will be kept carefully under review and mitigating actions taken where required.

## **12. Implications**

### **12.1 Financial**

Implications verified by: **Carl Tomlinson**  
**Finance Manager**

The financial implications are set out in the body of this report.

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports continue to come to Cabinet and be considered by the Directors Board and management teams in order to maintain effective controls on expenditure during this period of enhanced risk. Austerity measures in place are continually reinforced across the Council in order to reduce ancillary spend and to ensure that everyone is aware of the importance and value of every pound of the taxpayers money that is spent by the Council.

### **12.2 Legal**

Implications verified by: **David Lawson**  
**Deputy Head of Law & Governance**

There are no direct legal implications arising from this report.

There are statutory requirements of the Council's Section 151 Officer in relation to setting a balanced budget. The Local Government Finance Act 1988 (Section 114) prescribes that the responsible financial officer "must make a report if he considers that a decision has been made or is about to be made involving expenditure which is unlawful or which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the authority". This includes an unbalanced budget.

### **12.3 Diversity and Equality**

Implications verified by: **Becky Price**  
**Community Development and Equalities**

There are no specific diversity and equalities implications as part of this report.

### **12.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)**

There are no other implications arising directly from this update report.

- 13. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

There are various working papers retained within the finance and service sections.

- 14. Appendices to the report**

- None

**Report Author:**

Carl Tomlinson  
Finance Manager  
Finance and IT

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<b>13 September 2017</b>	<b>ITEM: 11</b> (Decision 01104439)
<b>Cabinet</b>	
<b>2017/18 Capital Monitoring Report – Quarter 1</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor Hebb, Portfolio Holder for Finance and Legal Services	
<b>Accountable Assistant Director:</b> Sean Clark, Director of Finance and IT	
<b>Accountable Director:</b> Sean Clark, Director of Finance and IT	
<b>This report is</b> Public	

## Executive Summary

At its meeting on 8 February 2017, Council agreed the 2017/18 capital programme.

Since the 1 April 2017, additional funding has been added to the programme, funded from prudential borrowing and other grants. In addition, budget carry forwards from 2016/17 have also been added to the programme.

This report reflects these changes and sets out the latest forecasted outturn.

### 1. Recommendation(s) that Cabinet:

- 1.1 Note the General Fund capital programme is projected to have available resources of £3.999m as at 31 March 2018 with this funding carried forward to 2018/19 to fund schemes currently in progress;**
- 1.2 In addition, there is a further £116.740m in the approved programme that is under development and/or dependent on third party actions as set out in paragraph 3.6;**
- 1.3 Note the Housing Revenue Account capital programme is projected to have no unused resources in 2017/18.**

### 2. Introduction and Background

- 2.1. This report provides an update to Cabinet on the financial position of the capital programme and highlights significant variances. It is the first monitoring report for 2017/18 and is based on expenditure to the end of month 3 (the period 1 April 2017 to 30 June 2017) and projected expenditure for the remainder of the year.

2.2. Capital schemes and resources are identified in two specific categories:

- Mainstream schemes – capital expenditure funded through prudential (unsupported) borrowing, from capital receipts, from the capital contribution from revenue budget or from earmarked capital reserves.
- Specific schemes – capital expenditure funded through external funding sources, for example, government grants and Section 106 monies which are ring fenced for specific projects.

### 3. General Fund Schemes

3.1. The current position for General Fund schemes for 2017/18 is summarised in Table 1.

Table 1: Capital Programme – Projected Outturn as at Month 3

	Latest Agreed Budget	Projected Outturn to 31/03/2018	Variance against budget
	£'000's	£'000's	£'000's
<b>Expenditure:</b>			
Children's Service <sup>1</sup>	12,151	9,166	(2,985)
Adult, Housing & Health	2,563	2,213	(350)
Environment and Place	47,317	46,803	(514)
Finance and IT	3,067	3,067	0
HR, OD & Transformation	4,217	4,067	(150)
Customer Services	45	45	0
<b>Total Expenditure</b>	<b>69,360</b>	<b>65,361</b>	<b>(3,999)</b>
<b>Resources:</b>			
Prudential Borrowing	(43,017)	(42,517)	500
Capital Receipts	(320)	(320)	0
Reserves	(245)	(245)	0
Government Grants	(14,343)	(11,548)	2,795
Other Grants	(7,896)	(7,896)	0
Developers Contributions (S106)	(3,539)	(2,835)	704
<b>Total Resources</b>	<b>(69,360)</b>	<b>(65,361)</b>	<b>3,999</b>
<b>Forecast Overspend in Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> The schools capital budget is designed around academic years and officers are confident that this will be defrayed in full within the current academic year



- 3.2 Table 1 illustrates a projected outturn at the end of the financial year of £65.361m, which is £3.999m less than the latest agreed budget for the year. This forecast variance is further analysed in Table 2 below.

Table 2: – Analysis of forecast variance

	Re-profiling of expenditure at Month 3	Capital schemes requiring additional funding	Completed Projects	Forecast variance against budget at Month 3
<b>Expenditure:</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Children's Service	(2,985)	0	0	(2,985)
Adult, Housing & Health	(350)	0	0	(350)
Environment and Place	(733)	219	0	(514)
Finance and IT	0	0	0	0
HR, OD & Transformation	(150)	0	0	(150)
Customer Services	0	0	0	0
<b>Total</b>	<b>(4,218)</b>	<b>219</b>	<b>0</b>	<b>(3,999)</b>

- 3.3 Table 2 shows that the forecast underspend is principally due to slippage/budget reprofiling on current schemes (£4.218m). Consequently the funding remains allocated to specific current schemes.
- 3.4 A list of schemes where the variance is greater than £0.25m is shown in Appendix 2.
- 3.5 Table 2 also shows that additional funding (£0.219m) will be required in 2017/18, to finance the extra expenditure incurred on the Oliver Road project. The additional expenditure will be financed from section 106 contributions.
- 3.6 In addition, the following schemes and allocations have Council approval but are dependent on scheme development and/or third parties:

Table 3: Capital Programme – Schemes under development

	Projected Scheme Budget
	£'000's
A13 Widening	75,000
Purfleet Regeneration	17,304
School Improvements	11,990

	<b>Projected Scheme Budget</b>
	<b>£'000's</b>
Grays South Development	8,056
The Central Grays Civic Buildings Optimisation project	4,390
<b>Total Schemes under development</b>	<b>116,740</b>
<b>Resources:</b>	
Prudential Borrowing	(24,750)
Government and Other Grants	(91,990)
<b>Total Resources</b>	<b>(116,740)</b>
<b>Forecast Overspend in Resources</b>	<b>0</b>

#### 4. Housing Revenue Account Schemes

- 4.1 The current position for Housing Revenue Account schemes for 2017/18 is summarised in Table 4.

Table 4: HRA Capital Programme – Projected Outturn

	<b>Latest Agreed Budget</b>	<b>Projected Outturn to 31/03/2018</b>
	<b>£'000's</b>	<b>£'000's</b>
<b>Expenditure:</b>		
Transforming Homes	11,800	11,800
Housing Development	11,436	11,436
<b>Total Expenditure</b>	<b>23,236</b>	<b>23,236</b>
<b>Resources:</b>		
Prudential Borrowing	(4,855)	(4,855)
Capital Receipts	(3,431)	(3,431)
Reserves	(3,150)	(3,150)
Government & Other Grants	0	0
Major Repairs Reserve	(11,800)	(11,800)
<b>Total Resources</b>	<b>(23,236)</b>	<b>(23,236)</b>
<b>Forecast Overspend in Resources</b>	<b>0</b>	<b>0</b>

- 4.2 The budget for Transforming Homes in 2017/18 is £11.8m. Spend as at 30th June 2017 was £2.055m. This budget is forecast to achieve our target of 1,000 homes transformed internally during this financial year.
- 4.3 The programme also delivers major works to void properties where required to bring them up to a lettable standard. It should be noted that the first three months of the year have seen a significantly higher number of voids falling into this category than expected. This is being closely monitored for impact on the overall programme. The year to date has also encountered a number of properties requiring structural improvement works over and above the transforming homes specification.
- 4.4 The budgets for 2017/18 for HRA New Build Schemes are £11.436m. The original profiled budget for 2017/18 as per the HRA Business Plan and February Cabinet Report was £22.890m. The budget profile across financial years for these schemes has been revised to reflect the current status of the individual schemes. The overall budget remains the same across the life of the schemes. Total spend to date in 2017/18 is £0.168m.

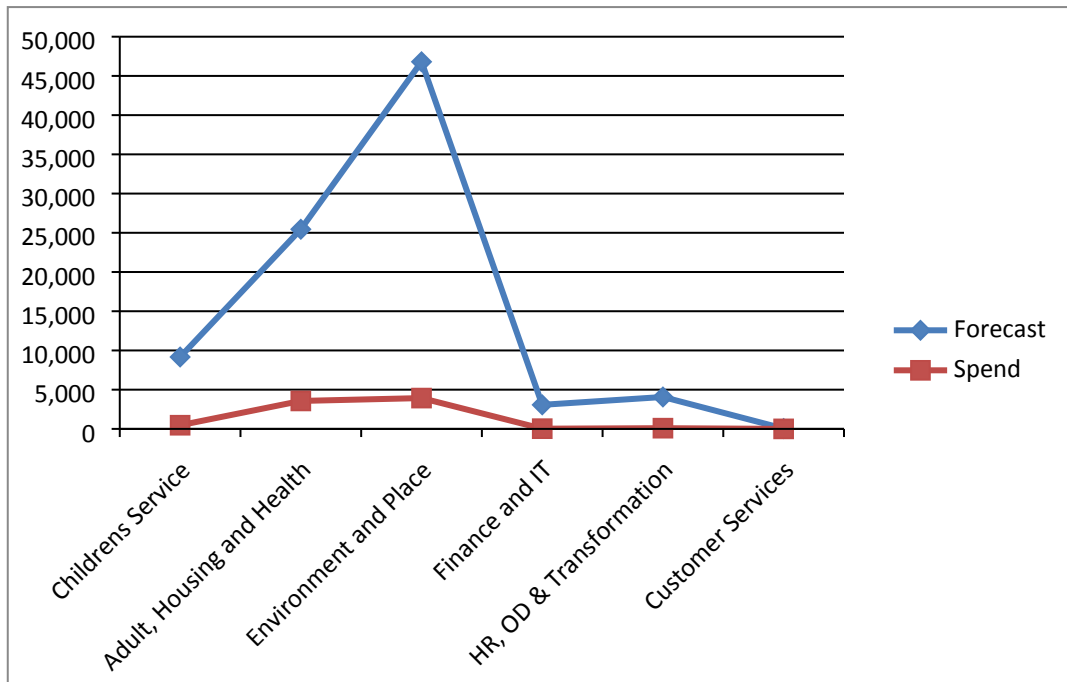
## **5. Gloriana Thurrock Ltd.**

- 5.1 The regeneration project at St Chads is the only active capital scheme currently being undertaken by the wholly owned company Gloriana Thurrock Ltd. This is a £34.9m scheme and the project has incurred expenditure of £32.1m up to the end of the 2016/17 financial year and is anticipated to incur a further £2.8m during 2017/18. To date (up to 30 June 17), £2.3m of this has been spent. This is funded by the Council and recovered from the company over the life of the project.
- 5.2 The scheme above will generate in excess of £1m to the general fund in 2017/18 and will continue to provide revenue returns for the next ten years with a final capital receipt payment at the project end.

## **6. Issues, Options and Analysis of Options**

### **Performance Indicator Target for Month 3: 10%**

- 6.1 The total expenditure to date on the Capital Programme is £8.074m, which equates to 9.1% of the budgeted spend against the performance indicator of 10%. This is based on the actual payments made to suppliers, so when considering the outstanding payments for works completed but not yet billed, the percentage spent will actually be closer to the target level.



## 7 Reasons for Recommendation

- 7.1 The recommendations are to ensure that Cabinet and Members are aware of the current status of the Capital Programme.
- 7.2 The Local Authority is required to discharge its statutory duty, under the Education Act 2006, to ensure that suitable and sufficient places are available in Thurrock for every child of school age whose parents wish them to have one.

## 8. Consultation (including Overview and Scrutiny, if applicable)

- 8.1 Officers and Directors' Board have been consulted on this report
- 8.2 The school capital programme and other identified works have been subject to extensive consultation with key stakeholders. The principle has been agreed with schools and the detailed build content is being agreed with the relevant schools. Consultation will continue with each school and key stakeholders, as each scheme and works develop within the programme.
- 8.3 The principle has been agreed with schools and any detailed build content will be agreed with the relevant schools. Consultation will continue with each school and key stakeholder, as each scheme and schedule of works evolves within the programme.

## 9. Impact on corporate policies, priorities, performance and community impact

- 9.1 The budget provides the finance to support capital projects that meet the corporate priorities. Any changes to the budgets may impact, positively or

negatively, on the delivery of these priorities and the Council's performance, with a corresponding impact on the community.

- 9.2 The improvement in the educational facilities in Thurrock schools is part of the council's delivery of its Education Capital Strategy and supports the council's prioritisation of educational standards and pupil progress by helping to create great places for learning in the borough.

## **10. Implications**

### **10.1 Financial**

Implications verified by: **Sean Clark**  
**Director of Finance and IT**

The General Fund Capital Programme is projected to have available resources of £3.999m at the end of the current financial year and these will be carried forward to fund schemes either in development or currently in progress.

In addition, the programme also includes £116.740m for schemes that are dependent on scheme development and/or third parties.

Through the active management of the programme the Council continues to maximise the resources at its disposal.

### **10.2 Legal**

Implications verified by: **David Lawson**  
**Deputy Head of Legal & Monitoring Officer**

There are no direct legal implications arising from this report. This report provides an update and allows Members to review the adequacy of existing budgets.

The Council has a duty under the Education Act 2006 to ensure the provision of "sufficient schools" for the provision of primary and secondary education in their area.

### **10.3 Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development & Equalities Manager**

The report provides an update and allows Members to review the adequacy of existing budgets.

- 11. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- There are various working papers within directorates and accountancy.

## **12. Appendices to the report**

- Appendix 1 – General Fund and Housing Revenue Account Summary
- Appendix 2 – General Fund Reprofiled Variances over £0.25m

### **Report Author:**

Mark Terry

Senior Financial Accountant

Table 5 – Summary of the 2017/18 General Fund Capital Programme	Approved Budget			Projected Outturn			CY Spend (Jun-17)	% Spend against CY Forecast
	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20		
<b>Childrens Service</b>	£'000 12,151	£'000 72	£'000 295	£'000 9,166	£'000 3,057	£'000 295	£'000 466	5.08
<b>Adults, Health and Housing</b>								
Provider Services	139	0	0	139	0	0	-1	-0.72
Better Care	1,001	0	0	801	200	0	124	15.00
Community Development	1,139	1527	0	1139	1527	0	0	0.00
Private Sector Housing	285	0	0	135	150	0	1	0.74
	<b>2,564</b>	<b>1,527</b>	<b>0</b>	<b>2,214</b>	<b>1,877</b>	<b>0</b>	<b>124</b>	<b>5.60</b>
<b>Environment and Place</b>								
Transportation and Highways	17,726	2250	0	17946	2250	0	1797	10.01
Resident Services	3,852	533	0	3852	533	0	372	9.66
Environment	12,216	2366	681	12216	2366	681	218	1.78
Regeneration and Assets	11,376	625	212	10642	1358	212	1538	14.45
Corporate Buildings	2,146	604	168	2146	604	168	5	0.23
	<b>47,316</b>	<b>6,378</b>	<b>1,061</b>	<b>46,802</b>	<b>7,111</b>	<b>1,061</b>	<b>3,930</b>	<b>8.40</b>
<b>Finance and I.T.</b>	3,067	123	0	3,067	123	0	27	0.88
<b>HR, OD and Transformation</b>	4,217	0	0	4,067	150	0	90	2.21
<b>Customer Services</b>	45	0	0	45	0	0	0	0.00
<b>Total Expenditure - General</b>	<b>69,360</b>	<b>8,100</b>	<b>1,356</b>	<b>65,361</b>	<b>12,318</b>	<b>1,356</b>	<b>4,637</b>	<b>7.09</b>

Table 6 – Summary of the 2017/18 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Jun-17)	% Spend against CY Forecast
		2017/18	2018/19	2019/20	2017/18	2018/19	2019/20		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Not yet started</i>	1,281	0	0	806	475	0	0	
	<i>Design stage</i>	2,935	0	0	1,935	1,000	0	0	
	<i>Out to tender</i>	1,400	0	0	700	700	0	0	
	<i>Work commenced</i>	2,598	72	295	1,788	882	295	459	
	<i>Scheme completed</i>	7	0	0	7	0	0	7	
	<i>Completed retention o/s</i>	4	0	0	4	0	0	0	
	<i>On hold</i>	970	0	0	970	0	0	0	
	<i>Demand led</i>	2,900	0	0	2,900	0	0	0	
	<i>Devolved to schools</i>	56	0	0	56	0	0	0	
<b>Total Childrens Service</b>		<b>12,151</b>	<b>72</b>	<b>295</b>	<b>9,166</b>	<b>3,057</b>	<b>295</b>	<b>466</b>	<b>5.08</b>
	<i>Not yet started</i>	86	0	0	86	0	0	0	
	<i>Out to tender</i>	75	0	0	75	0	0	-1	
	<i>Work commenced</i>	261	0	0	261	0	0	57	
	<i>Scheme completed</i>	128	0	0	69	0	0	27	
	<i>Demand led</i>	2,014	1,527	0	1,723	1,877	0	41	
<b>Total Adults, Health and Housing</b>		<b>2,564</b>	<b>1,527</b>	<b>0</b>	<b>2,214</b>	<b>1,877</b>	<b>0</b>	<b>124</b>	<b>5.60</b>
	<i>Not applicable</i>	2,094	0	0	2,010	0	0	0	
	<i>Not yet started</i>	4,126	1,530	505	4,210	1,530	505	166	
	<i>Design stage</i>	8,663	1,284	0	7,868	2,017	0	157	
	<i>Planning decision</i>	1,154	0	0	1,154	0	0	0	
	<i>Quotations</i>	115	0	0	115	0	0	0	
	<i>Tender preparation</i>	2,818	0	0	2,818	0	0	0	
	<i>Contract formation</i>	4,070	2,000	0	4,070	2,000	0	254	
	<i>Work commenced</i>	8,991	733	150	9,424	733	150	2,518	
	<i>Scheme completed</i>	500	0	0	495	0	0	118	
	<i>Completed retention o/s</i>	1,960	0	0	1,962	0	0	583	
	<i>On hold</i>	2,458	240	0	2,456	240	0	5	
	<i>Demand led</i>	10,289	591	406	10,142	591	406	129	
	<i>Out for Consultation</i>	78	0	0	78	0	0	0	
<b>Total Environment and Place</b>		<b>47,316</b>	<b>6,378</b>	<b>1,061</b>	<b>46,802</b>	<b>7,111</b>	<b>1,061</b>	<b>3,930</b>	<b>8.40</b>
	<i>Not yet started</i>	1,391	63	0	1,391	63	0	0	
	<i>Work commenced</i>	1,676	60	0	1,676	60	0	27	
<b>Total Finance and I.T.</b>		<b>3,067</b>	<b>123</b>	<b>0</b>	<b>3,067</b>	<b>123</b>	<b>0</b>	<b>27</b>	<b>0.88</b>
	<i>Not yet started</i>	758	0	0	758	0	0	0	
	<i>Work commenced</i>	2,614	0	0	2,614	0	0	90	
	<i>Scheme completed</i>	568	0	0	568	0	0	0	
	<i>On hold</i>	277	0	0	127	150	0	0	
<b>Total HR, OD and Transformation</b>		<b>4,217</b>	<b>0</b>	<b>0</b>	<b>4,067</b>	<b>150</b>	<b>0</b>	<b>90</b>	<b>2.21</b>
	<i>On hold</i>	45	0	0	45	0	0	0	
<b>Total Customer Services</b>		<b>45</b>	<b>0</b>	<b>0</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Expenditure - General Fund</b>		<b>69,360</b>	<b>8,100</b>	<b>1,356</b>	<b>65,361</b>	<b>12,318</b>	<b>1,356</b>	<b>4,637</b>	<b>7.09</b>



Table 7 – Summary of the 2017/18 Housing Revenue Account Capital Programme	Approved Budget			Projected Outturn			CY Spend (Jun-17)	% Spend against CY Forecast
	2017/18	2018/19	2019/20	2017/18	2018/19	2018/20		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Adults, Health and Housing</b>								
Provider Services	11,436	11454	0	11436	11454	0	229	
Better Care	11,800	0	0	11800	0	0	3209	
<b>Total Expenditure - HRA</b>	<b>23,236</b>	<b>11,454</b>	<b>0</b>	<b>23,236</b>	<b>11,454</b>	<b>0</b>	<b>3,438</b>	<b>14.80</b>

Table 8 – Summary of the 2016/17 Housing Revenue Account Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Jun-17)	% Spend against CY Forecast
		2017/18	2018/19	2019/20	2017/18	2018/19	2019/20		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Design stage</i>	9,575	4,525	0	9,575	4,525	0	-11	
	<i>Planning decision</i>	1,861	6,929	0	1,861	6,929	0	240	
	<i>Work commenced</i>	11,800	0	0	11,800	0	0	3,209	
<b>Total Adults, Health and Housing - HRA</b>		<b>23,236</b>	<b>11,454</b>	<b>0</b>	<b>23,236</b>	<b>11,454</b>	<b>0</b>	<b>3,438</b>	
								<b>14.80</b>	

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Table 9 - Scheme Reprofiting	Reprofiting £000's	Reason
East Tilbury Primary - Expansion	(1,000)	Multi Discipline Design Team Appointed. Re-profiting of budget to align with expected spend.
Aveley Community Hub	(733)	The business plan is currently being developed and will be presented to Director's Board in September, with a subsequent paper to Cabinet in December. If approved, scheme is expected to commence towards the end of the financial year.
Temporary Classrooms	(700)	Temporary classrooms at Aveley & Stifford Clays Primaries. Further additional classrooms to be identified. Reprofiting of budget to align with expected spend.
St Cleres Expansion	(700)	Scheme is currently out to tender. Re-profiting of budget to align with expected spend.
Ockendon Expansion	(475)	Scheme being Managed by The Ockendon Academy. Re-profiting of budget to align with expected spend.

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