

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

Corporate Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **23 January 2018**

Committee Room 1, Civic Offices, New Road, Grays, Essex, RM17 6SL.

Membership:

Councillors Oliver Gerrish (Chair), Leslie Gamester (Vice-Chair), Jack Duffin, Martin Kerin, Ben Maney and Tunde Ojetola

Substitutes:

Councillors Graham Hamilton, Tom Kelly, Gerard Rice and Graham Snell

Agenda

Open to Public and Press

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2 Minutes	5 - 10
To approve as a correct record the minutes of the Corporate Overview and Scrutiny Committee meeting held on 21 November 2017.	
3 Items of Urgent Business	
To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.	
4 Declaration of Interests	
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Queries regarding this Agenda or notification of apologies:

Please contact Kenna-Victoria Martin , Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **15 January 2018**

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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 Corporate Overview and Scrutiny Committee held on 21 November 2017 at 7.00 pm

Present: Councillors Oliver Gerrish (Chair), Leslie Gamester (Vice-Chair), Ben Maney and Graham Hamilton (substitute for Jack Duffin)

Apologies: Councillors Jack Duffin and Martin Kerin

In attendance: Sean Clark, Director of Finance & IT
Roger Harris, Corporate Director of Adults, Housing and Health
Karen Wheeler, Director of Strategy, Communications and Customer Service
Natalie Warren, Community Development and Equalities Manager
Sarah Welton, Strategy & Performance Officer
Kenna-Victoria Martin, Senior Democratic Services Officer

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.

15. Minutes

The Minutes of the Corporate Overview and Scrutiny Committee held on the 19 September 2017 were approved as a correct record.

16. Items of Urgent Business

There were no items of urgent business.

17. Declaration of Interests

There were no interests declared.

18. Quarter 2 Corporate Performance Report 2017/18

The Strategy & Performance Officer introduced the report which provided a progress update in relation to the performance of Key Performance Indicators (KPI), including a focus on some of the specific highlights and challenges. Members were advised that senior Officers were in attendance for any questions within particular directorates.

The Strategy & Performance Officer continued to advise the Committee overall 69% of Key Performance Indicators (KPIs) had met their targets. It had therefore been decided by director's board that more information be provided to Members on the failing KPIs and those items which were in focus.

The Chair of the Committee thanked officers for the in depth report. He continued by stating the additional information covered a wider range and was helpful for Members. He then enquired as to the gap between the performance and the target for Focus 8, at 3.3.8 of the report and whether it was likely the department would get back on track. The Committee heard that 70% was a very stretched target and the reality was that the cohort was relatively small meaning the outcome of one or two individuals had a notable impact. The Strategy & Performance Officer understood that the service anticipated better outcomes moving forward but would seek further information for Members around more exact details.

The Chair drew the Committee's attention to Focus 9 as the direction of travel was worse. He questioned whether more should be done to ensure targets were met and what the financial implications were of failing to meet the target. The Director of Strategy, Communications and Customer Service assured Members that the matter was being taken seriously. Data for the rounds affected and challenging materials was being analysed to allow for targeted communications focusing on particular issues in particular areas. There were also particular issues at this time of year as certain types of waste reduced which impacted upon targets. The Director of Finance and IT continued to advise that figures were showing pressures around waste disposal costs and there had been significant issues with trade waste, which would be discussed at the relevant Overview and Scrutiny Committee, however, much had been done recently at the Civic Amenity Site to mitigate. The Chair suggested exploring other routes to improve recycling rates by incentivising local communities.

The Chair continued to Focus 10, with a worse direction of travel again. He asked when it was expected that the target would be met. The Director of Strategy, Communications and Customer Service confirmed that the Service was looking at specific issues and rounds, such as access problems due to resident parking which also raised concern around access for emergency vehicles. Target communications work was underway. A new fleet had also been procured. The Director of Finance and IT confirmed that Cleaner, Greener, Safer Overview and Scrutiny Committee would receive a report in December around route optimisation. The Chair asked if the report could be circulated to Members of Corporate Overview and Scrutiny Committee to provide additional background information and stressed the importance of solving the issues for residents.

Councillor Hamilton questioned whether it was fair to hold the service accountable if the issues were caused by blocked access by other vehicles, outside the control of the Council. Members heard that ultimately the collection was still missed, regardless of reason. The goal was to work with residents and communities to help them understand what they could do to facilitate the process.

He continued to ask whether there were any issues around the definitions of re-used or re-cycled. The Committee was advised that the performance indicator had been long standing and was in line with DEFRA standards.

Councillor Maney referred to Focus 3, which highlighted a dip in complaints turnaround. He expressed a personal concern regarding the complaints process and asked what had led to the dip. The Strategy & Performance Officer advised that there had been a change in internal targets which had been introduced in August 2016, which had led to some operational issues in some areas. The target had deliberately not been reduced to strive for positive outcomes. Councillor Maney highlighted that the decision had been a top-down decision and queried why the changes had been introduced with no real assessment, given the impact it was having on the service. If the target was not being met it defeated the object, in his mind. The Committee heard that the decision was assessed at the time, with input from Directors' Board. While the target was challenging it was hoped that figures should improve with time.

The Chair sought reassurance that the Council was on track regarding Capital spend. The Director of Finance and IT assured Members that Cabinet were updated quarterly on the Council's Capital position and the outturn, which provided more commentary. The Council did not currently operate full and detailed commitment accounting, so the figures showed what had been paid out, and did not recognise the value of work completed up to that quarter and therefore money the Council owed. This raised the question of what exactly the KPI provided as the Director of Finance and IT was confident that the 30% target had been met, in terms of work completed, but some invoices were still being processed and therefore did not show in the figures. The Chair echoed the questions raised around the relevance and use of the KPI and suggested reviewing its inclusion in the framework. The Committee were advised that KPIs for the 2018/19 would be reviewed in February.

RESOLVED:

- 1. To note and comment upon the performance of the key corporate performance indicators in particular those areas which are IN FOCUS**
- 2. To identify any areas which require additional consideration.**

19. Voluntary Sector Corporate Grants Programme

The Community Development and Equalities Manager presented the report explaining Thurrock's Voluntary Sector Corporate Grants Programme was an established and recognised source of funding for key, strategic voluntary sector partners supporting communities in Thurrock. Members heard the current programme was due to end on 31 March 2018.

It was highlighted that in 2016/17 the programme, totalling just over £300,000, levered in a further £1.4million into Thurrock as a result of external and match funding. Officers further explained the report considered the process for administering the grants programme from March 2018 and sought comments on the proposal to continue the agreement for Thurrock CVS to administer the

programme and maintain the existing split of funding 80% for existing groups and 20% for new groups.

The Chair of the Committee commented that the total funding was £342,425, however there was £316,080 ring fenced. The Community Development and Equalities Manager explained that funding had been reduced and was smaller than previously awarded. She continued to explain that the figure £342,425 took into account if the CAT budget was to move.

It was queried if feedback was received from organisations who received funding as to how their areas of operation might be affected. The organisations were concerned about the potential impact however they welcomed the opportunity to have set amounts for three years, which allowed for more long-term planning. This ability was also more attractive to external funders. There would be collaborative working with the sector to increase funding moving forward for new initiatives.

Councillor Gerrish raised concern should there be funding reductions to voluntary organisations and the impacts this could potentially have. Officers assured Members that discussions around funding risk were had with all voluntary organisations receiving funding. It was confirmed that should reductions in funding be required, early engagement would be taken at least 3 months before any impact would be caused. Officers assured the Committee that processes were in place for any such situation.

During discussions Councillor Maney sought to know who was monitoring the use of funding, as the organisations were not accountable to the Council. The Community Development and Equalities Manager notified members that the Council collected information from voluntary organisations seeking funding as to what the money would be used for, however it was the panel who had the overall discretion as to who funds were awarded to.

Councillor Gamester queried whether there was any monitoring in place regarding the moneys awarded in proportion to the number of service users. Agreements around funding began with requests from organisations as to their requirements, so the individual organisations were responsible for outlining their funding requirements and each business model would be very different.

RESOLVED that the Corporate Overview and Scrutiny Committee:

- 1. Commented on the proposal to continue the administration of the Voluntary Sector Corporate Grants Programme with Thurrock CVS from April 2018 – March 2021 with the option to extend by one year if required; and**
- 2. Commented on the proposed process and criteria set out in Section 3.**

20. Local Council Tax Scheme 2018/19

The Director of Finance & IT addressed Members of the Committee notifying them the current Local Council Tax Support (LCTS) scheme had been implemented on 1 April 2017. He continued to explain Thurrock Council had agreed its current scheme through a public consultation exercise informed by cross party Members working groups. The resulting scheme was agreed by both Cabinet and the Council.

Members heard that the proposal for 2018/19 was to continue with the current Local Council Tax Support (LCTS) scheme. Officers had considered this in light of no planned changes to Housing Benefit legislation for April 2018/19 and that the current scheme was reasonable and fit for purpose.

The Chair questioned whether there had been a review of whether more could be done for certain groups, such as care leavers and those impacted by the new Universal Credit system. Officers had worked closely with colleagues across Essex and systems were all fairly similar. At present no groups had been identified but if it became apparent that certain groups did require additional support that could be resolved moving forward. A report would be presented at Full Council regarding support for care leavers. The Chair stressed the need to look at various avenues to support care leavers as an area of investigation. The Director of Finance and IT agreed it would be useful to identify groups in need of more support.

RESOLVED:

- 1. That the Corporate Overview and Scrutiny Committee noted and commented on the proposal that there are no changes to the Local Council Tax Scheme for 2018/19.**

21. Council Spending Review (CSR) - 2018/19 Budget Setting Update

The Committee heard that the report summarised the main changes to the MTFs for the period 2018/19 through to 2020/21 and the proposals being considered to close the current budget gap.

The Director of Finance & IT explained where growth and cross cutting proposals had provisionally been allocated to services, these had been outlined out in Appendix 3 so as to inform Members of overall changes to Directorate budgets.

The Chair highlighted how useful the information was to Members, for them to understand the scale of the challenges faced by the Council and what could be done to address them. He felt that the investment approach was correct and would continue to support the approach. The Chair queried why figures showed such a large increase in Prudential Borrowing and Treasury Management. The Director of Finance and IT advised this budget held the Council's interest costs. Prudential borrowing funded large aspects of the Capital Programme, such as the procurement of a new waste management

fleet. The council equivalent of depreciation also needed to be included. The impact of capital expenditure, especially those schemes with high expenditure and short-term life, always impacted the following year.

The Chair suggested greater break down of information would be helpful in future. He continued to highlight the demographic and economic pressures and stressed it was imperative to keep increasing costs under control, despite the challenges within services. The Director of Finance and IT noted that the information had been summarised and he would take the suggestion on board.

RESOLVED that the Corporate Overview and Scrutiny Committee:

- 1. Note the revised MTFS position; and**
- 2. Commented on the proposals currently being considered to close the budget gap.**

22. Corporate Overview and Scrutiny Committee Work Programme

Members discussed the Work Programme for the municipal year.

RESOLVED:

That the following items to be included on the Work Programme:

- Update on the CWG set up at the September meeting – March 2018**
- Q3 Performance Report – March 2018**
- Civic Offices Business Plan – March 2018**

The meeting finished at 8.25 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**

23 January 2018	ITEM: 5
Corporate Overview and Scrutiny Committee	
Single Equality Scheme and Corporate Equality Framework 2018 – 2022	
Wards and communities affected: All	Key Decision: Key
Report of: Natalie Warren, Strategic Lead Community Development and Equalities	
Accountable Assistant Director: Les Billingham, Assistant Director Adult Social Care and Community Development	
Accountable Director: Roger Harris, Corporate Director Adults, Housing and Health	
This report is Public	

Executive Summary

Thurrock Council has developed a consolidated Single Equality Scheme (hereon ‘SES’) and Corporate Equality Framework (hereon ‘CEF’) that sets out how the organisation will challenge discrimination and promote equal opportunity in all aspects of its work over the next four years.

The combined document demonstrates how the organisation will meet the aims of the Equality Duty and the requirement to prepare and publish one or more equalities objectives.

At the forefront is the Council’s Equality and Diversity Statement that incorporates a commitment to eliminating anti-Semitism in line with the Government’s formal adoption of the same in December 2016.

The SES presents the Council’s four strategic objectives as follows to:

- improve access to services,
- reduce poverty,
- build cohesion and create welcoming communities, and,
- develop a workforce that is equipped with the skills and confidence to support and enable our changing organisation and communities

The new scheme incorporates the Council’s Corporate Equality Framework whilst building on the achievements the Council has made in recent years to promote equality and opportunities for all within the organisation and wider communities.

It covers all the protected characteristics of Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, and Sexual Orientation whilst celebrating some of the existing organisations that externally validate the Council's commitment to equality.

1. Recommendation(s)

1.1 That Corporate Overview and Scrutiny Committee comment on the draft Single Equality Scheme and Corporate Equality Framework 2018 – 2022.

2. Introduction and Background

2.1 In April 2011 the general Public Sector Equality Duty (PSED) was implemented, which requires local authorities when they are exercising public functions to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between those who share a protected characteristic and those who do not, and,
- foster good relations between those who share a relevant protected characteristic and those who do not.

2.2 The Equality Act 2010 also requires local authorities to:

- publish information annually to demonstrate how they meet the equality duty., and,
- prepare and publish one or more objectives to meet any of the aims of the Equality Duty at least every four years.

2.3 Each year we publish our Annual Workforce Equality Report, which provides information about the make-up of our workforce. To view the Council's most recent Annual Equality Report, please refer to:

<https://www.thurrock.gov.uk/equality-and-fairness/equality-duty>

2.4 Thurrock Council has chosen to develop a new combined Single Equality Scheme and Corporate Equality Framework for the period 2018-2022 with a supporting title '**Opportunity for all**'.

2.5 Although producing and publishing specific Equality Schemes no longer form part of our public duties under law, having a published Single Equality Scheme alongside the Corporate Equality Framework, will help the Council to ensure that it complies with the specific and general duties set out in the Equality Act 2010, assist in promoting community cohesion and improve its knowledge of equality and diversity issues.

3. Issues, Options and Analysis of Options

3.1 Thurrock has an ambitious growth strategy to create a significant number of new jobs by 2021. With our regeneration agenda that includes the world's

most modern port, major public realm improvement schemes and the transformation of Purfleet we must work with our partners, staff and communities to ensure that the future growth and opportunities for Thurrock are shaped and accessed by those that live and work in the borough.

- 3.2 The draft Single Equality Scheme and Corporate Equality Framework sets out our commitment to help to build pride, responsibility and respect with residents and employees until 2022. It sets out the Council's community leadership role and our commitment to championing equality and embracing the diversity of our communities as a central pillar to the functions and operation of the Council.
- 3.3 We will continue to build on the success of our recent workforce initiatives and feedback from our staff and independent reviews, and provide an environment where employees feel they are treated with dignity and fairness, and where skills and experience are valued as we move towards new and innovative means for service delivery across the organisation.
- 3.4 Our approach to developing this scheme is based on meeting our statutory responsibilities but also a wider and more pragmatic approach to making fairness and equality a reality for staff and residents. The scheme acts as a framework highlighting the range of work supported across the council to advance equality and tackle discrimination. The scheme is intended to be a live document and will be updated as necessary to reflect changes to existing strategies and future guidance. In addition, it will develop to reflect our growing and changing community profile.

4. Reasons for Recommendation

- 4.1 Whilst the publication of a Single Equality Scheme is no longer a requirement set out in legislation, a robust up to date Single Equality Scheme and supporting Corporate Equality Framework is an opportunity for the Council to set out its equality objectives and demonstrate how we are going to embed the principles of equality and diversity in our service provision and employment practice.
- 4.2 The Single Equality Scheme sets out key objectives over the four year period to 2022. The scheme recognises existing strategies and workstreams that already help achieve these objectives. Future service plans from across directorates will capture further work and achievements towards these objectives to highlight work across the council to advance equality and tackle discrimination.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The equality objectives set out in the scheme are based on the consultation results from the Fairness Commission which reported to Cabinet in March 2016. Subsequent work with teams across council services has scoped the range of work supporting the objectives, the content of which is based on

specific consultation. Further comment is welcomed from Corporate Overview and Scrutiny Committee.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The Single Equality Scheme will have a significant positive impact on a number of corporate priorities in particular building pride, responsibility and respect in Thurrock's communities and its residents.

7. Implications

7.1 Financial

Implications verified by: **Jo Freeman**
Management Accountant Social Care & Commissioning

There are no direct financial implications arising from this report. The costs relating to the implementation of the arrangements set out in the appended document will be funded from existing resources.

7.2 Legal

Implications verified by: **David Lawson**
Assistant Director of Law & Governance and Monitoring Officer

This combined Single Equality Scheme and Corporate Equality Framework provides a basis for compliance with equality legislation and the general duty to eliminate discrimination and promote equality of opportunity. It is imperative that the Council abides by legislation to avoid legal challenges.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Strategic Lead, Community Development and Equalities

The refreshed Single Equality Scheme and Corporate Equality Framework has the aim of improving equality outcomes across the Council and within the local community.

This combined Single Equality Scheme and Corporate Equality Framework will ensure the Council meets its obligations under the Equality Act 2010. It will also ensure measurable progress in tackling inequality and promoting

fairness for all. The document has implications for all services and protected characteristics.

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

- None applicable

8. **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):

Thurrock Fairness Commission Report February 2016

https://www.thurrock.gov.uk/sites/default/files/assets/documents/fairness_commission_report_201602_v01.pdf

9. **Appendices to the report**

- Appendix 1 – Draft Single Equality Scheme and Corporate Equality Framework for Thurrock Council (2018-2022)

Report Author:

Becky Price

Community Development Officer

Adult Social Care and Community Development, Community Development and Equalities Team

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‘Opportunity for all’

A Single Equality Scheme and Corporate Equality Framework for Thurrock Council

2018-2022

“Promoting equality, embracing diversity”



DRAFT Version 5 (January 2018)

Revision History

This document will be subject to amendments during the review period and will be updated during this time using formal change control procedures.

Version	Date	Reasons/Summary of Changes	Author
Draft v.1	Dec 16	First draft	B. Price
Draft v.2	July 17	Feedback from Adults, Housing and Health SMT and Thurrock Community Safety Partnership	B. Price
Draft v.3	Nov 17	Feedback from Portfolio Holder for Performance and Central Services	B. Price
Draft v.4	Jan 18	Feedback from Public Health, HR & OD, Strategy, Communications and Customer Strategy, and, Learning and Skills Team	B. Price S. Welton
Draft v.5	Jan 18	Feedback from Directors Board	B. Price

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A Single Equality Scheme and Corporate Equality Framework for Thurrock Council 2018-2022

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Introduction



Thurrock Council values the strength that comes with difference and the positive contribution that diversity brings to our borough.

As a community leader, service provider and employer, we will continue to work together with our partners to ensure that everybody has the opportunity to fulfil their potential, and that our neighbourhoods are places where people come together and prosper.

We will aim to eliminate prejudice and discrimination and to promote good relations between different groups of employees and citizens.

Councillor Deborah Huelin
Cabinet Member for Performance and Central Services



We want Thurrock to be a place where all citizens feel that they are listened to and have a stake in the community, and which supports and values individual and community initiatives that bring people together.

This is reinforced by our Single Equality Scheme and Corporate Equality Framework that now draws upon the findings of Thurrock Fairness Commission for the purpose of setting the equality objectives for the council over the next four years.

Lyn Carpenter
Chief Executive, Thurrock Council



Equality and diversity is woven into the fabric of the council's work and can be noted as far back as 1957 when the arms of the borough were designed.

The supporting motto is "*Secundum Tamesim Quovis Gentium*" - 'By Thames to all the peoples of the World'.

Such an ethos remains integral to our plans and strategies today.

Thurrock Council's Equality Statement

Thurrock Council is committed to promoting equality of opportunity, celebrating and valuing diversity, eliminating unlawful discrimination, harassment and victimisation in all forms, and promoting good relations.

We are committed to achieving equality for all by reducing discrimination in employment and service delivery on the grounds of age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation.

We go beyond the protected characteristics covered by the Equality Act 2010 to include socio economic status (poverty), as we recognise that there are disparities across our communities.

Our Community Equality Impact Assessment (CEIA) process therefore takes consideration of both deprivation and protected characteristics.

Anti-Semitism Statement



In December 2016, the Government formally adopted the International Holocaust Remembrance Alliance working definition of anti-Semitism as follows:

“Anti-Semitism is a certain perception of Jews, which may be expressed as hatred toward Jews.

Rhetorical and physical manifestations of anti-Semitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities.”

The following sets out Thurrock Council’s commitment to eliminating anti-Semitism:

‘Thurrock Council condemns anti-Jewish hatred, in all its forms and supports government efforts directed at eradicating anti-Semitism and preventing extremist indoctrination and recruitment.

We support expanded education programs, including Holocaust programs that increase awareness and counter intolerance and discrimination.

We recognize the ever-present need to be vigilant about efforts to prevent and report acts of anti-Semitism, and other hate crimes and believe that communities that promote a climate of mutual understanding and respect among all citizens are essential to good governance and democratic life’.

Vision for Thurrock

Our Community Strategy was approved in September 2012 and refreshed in January 2015, following extensive consultation with our communities culminating in the following vision for Thurrock and five enabling strategic priorities:

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

- **Create** a great place for learning and opportunity
- **Encourage** and promote job creation and economic prosperity
- **Build** pride, responsibility and respect
- **Improve** health and well-being
- **Promote** and protect our clean and green environment

Thurrock has an ambitious growth strategy with six inspiring growth hubs including the world's most modern port, major public realm improvement schemes and the transformation of Purfleet. We anticipate the creation of a significant number of new jobs in the next 20 years.

We are committed to ensuring our approach to regeneration is shaped by those that live and work in the borough. We want to make a difference and recognise the scale and impact of our growing and changing communities and the importance of our role in place shaping and community leadership.

We are working together with our staff, partners and the community to drive growth in our role as champions for Thurrock and to make this borough an even better place to live, work and visit.

Our Single Equality Scheme and Corporate Equality Framework sets out our commitment to help to build pride, responsibility and respect with residents and employees until 2022. We value our role in promoting equality and embracing the diversity of our communities, this is central to how the Council operates. We are committed to advancing equality of opportunity, to eliminate discrimination and to promote good relations in both our community and our workforce.

We will continue to build on the success of our recent workforce initiatives and feedback from our staff and independent reviews, and provide an environment where employees feel they are treated with dignity and fairness, and where skills and experience are valued as we move towards new and innovative means for service delivery across the organisation.



Background

The **Equality Act (2010)** brings together previous anti-discriminatory legislation into one single 'Act', to provide a legal framework to protect the rights of individuals and to advance opportunity for all. Within the Act there is a Public Sector Equality Duty which applies to all 'public authorities', with a broad purpose to integrate the consideration of equality and good relations into day to day business.

There are three aims within the duty to which we must have 'due regard' in the exercise of our functions to enable us to meet the requirements of the Act.

1. **eliminate unlawful discrimination**, harassment and victimisation and other conduct prohibited by the Act;
2. **advance the equality of opportunity** between people who share a protected characteristic and those that do not, and,
3. **foster good relations** between people who share a protected characteristic and those that do not.

To demonstrate 'due regard', the Council should assess the equality impact of its proposed or current policies and functions. This is to ensure that the authority can identify any adverse impact resulting from the policy or function, then amend the policy accordingly or justify the negative impact.

We ensure that equalities is a 'real' consideration during the formulation and development of our policies and functions, this is demonstrated through the completion of a Community Equality Impact Assessment by the relevant service lead. Community Equality Impact Assessments are used as a systematic process to consider each 'Equality Target Group' in turn. (Please refer to the 'Community Equality Impact Assessments' section of this document for further details).

The Equality Duty has extended the protection of individuals to nine different groups. These are referred to as protected characteristics.

The protected characteristics are:

- Age
- Gender
- Disability
- Race
- Religion and Belief
- Sexual Orientation
- Gender Re-assignment
- Marriage and Civil Partnership
- Pregnancy and Maternity



As a public authority we publish certain equalities information to demonstrate that we comply with the Equality Act (2010).

The details that we publish incorporate:

- information relating to all our employees who share a protected characteristic;
- information relating to all those people who may be affected by our policies and practices, and,
- one or more equality objectives that can be measured and monitored.

Thurrock Fairness Commission

Between March 2015 and December 2015 the Thurrock Fairness Commission – an independent group of individuals from across a wide range of interests including local residents, business people, councillors, professionals and academics – undertook an analysis of the evidence and the perception of fairness in Thurrock.

Through a series of meetings, presentations and a *Summer of Listening* to residents, the Commissioners received a wealth of information and hundreds of views before preparing a final report and recommendations to Cabinet in February 2016.

The Thurrock Fairness Commission established a set of ***Principles of Fairness*** to which Thurrock should commit as follows:

- **Eliminating unfairness**, promoting opportunities that benefit all people, whatever their background
- **Empowering people** to do things for themselves, working **with** rather than **for** the community
- Promoting **social responsibility** amongst local employers so Thurrock people have the earliest opportunities for employment and self-development
- Making decisions and running services **openly**, listening to communities and communicating outcomes and reasons in good time
- Giving priority to **those in greatest need** when allocating resources

Six additional recommendations for the Council were highlighted by the Fairness Commission with the following three now informing the Single Equality Scheme:

- Improve access to services;
- Reduce poverty, and,
- Build cohesion and create welcoming communities.

The full report and recommendations can be viewed here:

<https://www.thurrock.gov.uk/equality-and-fairness/thurrock-fairness-commission>



What do we know about people in Thurrock?

The information we hold about our communities is gathered from a range of sources that include the Census 2011, our Joint Strategic Needs Assessment, Public Health England Health Profile, NOMIS (Official Labour Market Statistics), the Office of National Statistics (ONS) and our Annual Development Monitoring Report.

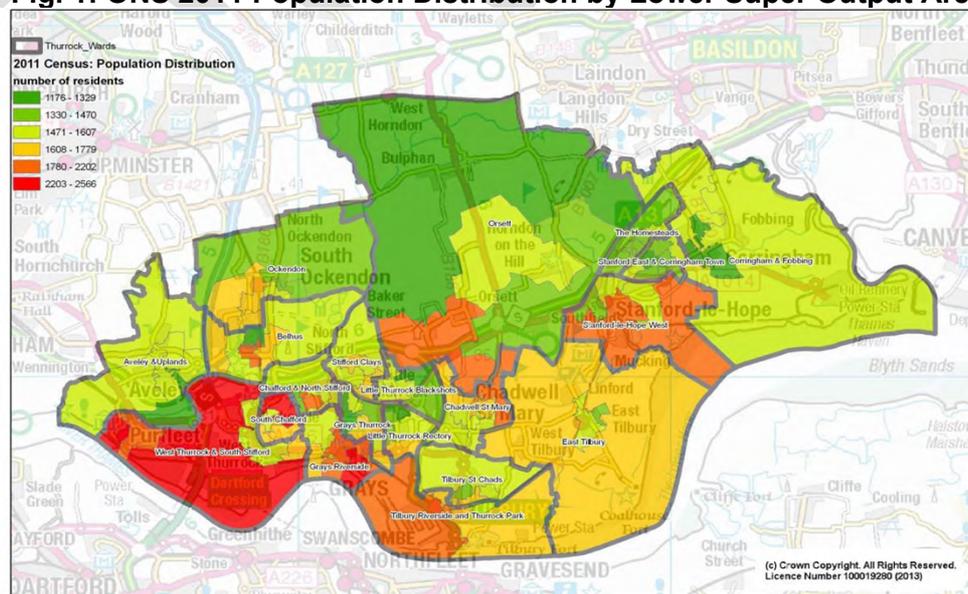
Only by understanding the composition of those that live and work in Thurrock will we be able to provide appropriate and good quality services that meet the needs of our diverse communities.

Since the Council's Single Equality Scheme 2012-2015 was published in April 2012, data from the 2011 Census has been released improving our understanding of the people that live and work in Thurrock.

Since 2011, the number of people living in Thurrock has increased from 158,300 to 166,000 in 2016. By 2021, our population is expected to reach 174,800 according to projections prepared by the ONS, 2012. The population density and distribution in Thurrock varies considerably from low density in the more rural areas to high in the urban areas.

Distribution of population by Lower Super Output Area is shown in Figure 1 highlighting that the southern and central areas of Thurrock have the wards with the largest numbers of residents, often in quite small, built up areas such as within the Grays Riverside ward. When planning services, deprivation levels are taken into account as these are not uniform across the borough.

Fig. 1: ONS 2011 Population Distribution by Lower Super Output Area



Source: Census 2011



Protected characteristics

The following section provides summarised information on the population of Thurrock in relation to the nine protected characteristics:

Age

Understanding the age breakdown of our population is essential to help us to plan for service provision, assist in meeting the needs of our current service users and plan for the future. Data from the 2011 Census establishes the following:

- There has been a 20% increase in 0-4 year olds between 2001 and 2011 (equating to almost 2,000 additional residents in this age group since 2001). This age group makes up 7.6% of Thurrock's population which is greater than the proportion of the national population.
- The borough's population aged 60 years and above has increased by 16.5% since 2001. However, the proportions of people in each of the 60+ age groups are lower than the England and East of England averages.
- There has been a 47.5% increase in the over 85 population, equating to 846 more residents in this age group since 2001.

Gender

Across the country, region and borough there is generally an equal split in the number of males and females. According to the ONS Mid-Year Population Estimates (2013), the gender composition of residents in Thurrock was 49.3% male and 50.7% female.

There are no available records to illustrate the number of individuals that identify as non-gender specific (e.g. non-binary, genderqueer).

Disability

In 2011, 15.57% of people in Thurrock were limited in their day to day activities, or approximately 1 in 6 residents. This is slightly below the regional average (16.7%) and the national average (17.64%) and represents a slight reduction in the figure (16.8%) for Thurrock reported in the previous Single Equality Scheme.

The number of residents receiving support from Adult Social Care has increased steadily from 2,582 in 2012-13 to 2,697 in 2014/15. With an expected ageing and growth of the population, we can expect a rise in age-related disease and an increased demand on health and social care.

With the number of people aged 85 expected to grow significantly in the medium term, conditions such as dementia are expected to increase steeply.

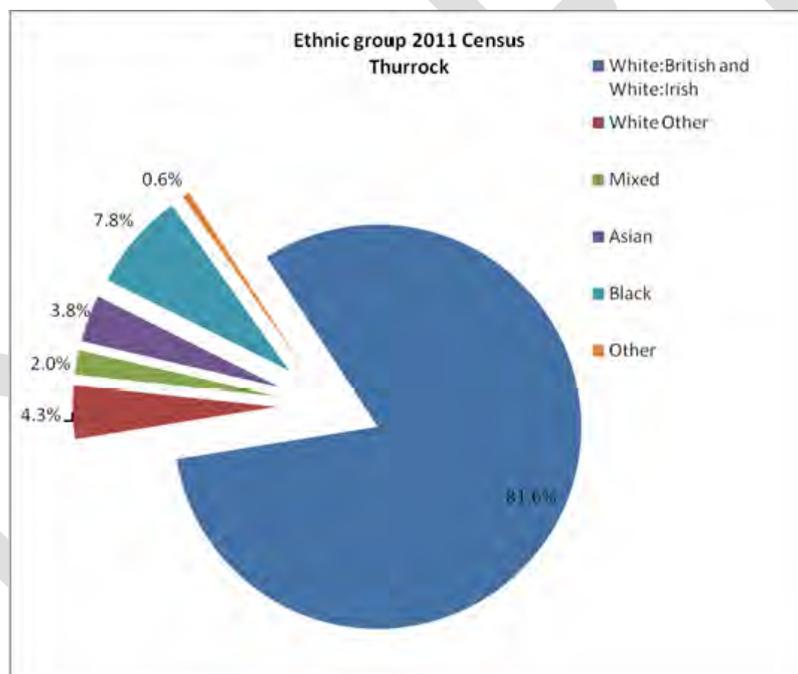


The South Essex and Thurrock Dementia Strategy 2017-2021 describes how support for people with dementia will be delivered in the future and identifies 9 priorities for action to make this happen.

Race

Ethnic diversity is increasing in Thurrock. Between the 2001 and 2011 Census, all main ethnic groups (excluding White British and Irish groups) have increased both in number and proportion, particularly within the Black groups and Other White groups.

Despite an overall population increase, the White British and Irish groups have decreased in number from 134,348 residents in 2001 (representing 93.9% of the Thurrock population) to 128,348 in 2011 (representing 81.6% of the total population).



Source: 2011 Census

Religion and Belief

The 2011 Census identified that 63.34% of the population of Thurrock are Christian, with 2.01% that are Muslim.

In 2001, just 6.4% stated that they followed no religion. By 2011 this had increased to 26.04%.



Sexual Orientation

The Council is working with an in-house Lesbian, Gay, Bi-sexual and Transgender (LGBT) staff forum and Stonewall to take steps that will allow it to better understand how many lesbian, gay and bisexual people are accessing services and what they think of them to determine where improvements may need to be made.

There is no statistically reliable data relating to the proportion of Thurrock residents who declare themselves as LGBT. In 2017, Stonewall, the national charity working for equality for LGBT people, state that a reasonable estimate for the UK's population of LGB people would be 5-7%. If this ratio is applied to Thurrock, it is possible to predict that between 8,300 and 11,620 residents are LGB. Data concerning transgender individuals is noted in the following section.

Gender Re-assignment

The Gender Identity Research and Education Society (GIRES) estimate that approximately 1% of the British population are gender nonconforming to some degree. The number of trans-boys and trans-girls are about equal with the number of people seeking treatment growing each year. There is no statistically reliable data relating to gender re-assignment in Thurrock for the purpose of analysis.

Marriage and Civil Partnership

A new category of 'Same Sex Civil Partnership' was added to the 2011 Census.

There are 170 Civil Partnerships in Thurrock, equating to 0.14% of all households. According to data released by the Office of National Statistics (ONS) in September 2016, this figure is comparable to the national average which was 0.1% in 2015.

34% of residents in Thurrock are single, which is lower than the national average of 51.5% according to data released by the ONS in July 2015. The percentage of people married in the borough is 17.7%, equating to 47.6% of the population as a whole.

Pregnancy and Maternity

Population change is affected by the number of births in an area.

In Thurrock, there were 2,326 live births - 68.7 births per 1,000 women aged 15 – 44 in 2013, which is higher than the regional average (63%) and national rates (61.7%) for the same period. It can be observed that the General Fertility Rate has decreased since 2012 in line with both regional and national trends.



Our Equality Objectives

We recognise that our residents and employees come from different communities and different circumstances.

The findings and recommendations from Thurrock's Fairness Commission have provided us with local feedback from our residents and partners to help us to create a fairer society.

We have used this information, along with information from recent workforce initiatives within the council, to establish the following four equality objectives to:

- improve access to services
- reduce poverty
- build cohesion and create welcoming communities
- develop a workforce that is equipped with the skills and confidence to support and enable our changing organisation and communities

DRAFT



What we have already done to fulfil our objectives

The following section of this report sets out the context and some of the key plans and strategies we have in place to achieve each of our equality objectives, addressing some of those challenges arising from the findings and recommendations of Thurrock's Fairness Commission, whilst meeting our responsibilities to residents and employees placed on us by equalities legislation.

Objective 1: Improve access to services

Research completed by the Fairness Commission identified the importance of improving access to services including health care. The quality and availability of primary health care was also highlighted as a significant area for improvement not least to avoid the need for people to travel.

[Thurrock's Joint Health and Wellbeing Strategy \(2016-2021\)](#) was co-created with health partners and the community before it was approved by Council in March 2016. Extensive consultation and engagement through the development of the Strategy highlighted the relationship between 'people' and 'place' agendas and the potential impact of the 'place'; on the health and wellbeing of Thurrock residents.

The Strategy and its supporting action plans set out a shared approach to improving health and wellbeing outcomes and to reducing health inequalities. It brings together all agencies and communities in their joint roles in supporting prevention and early intervention. Its vision is to 'add years to life and life to years'.

The Council has also developed a [Customer Service Strategy: 2017-2020](#) and [Digital and Information Technology Strategy: 2017-2020](#) that maps out how it will meet the needs of the whole community and mainstream equality and diversity helping us to provide effective, efficient and reliable services to our citizens.

These strategies form part of a wider suite of transformation programmes and projects taking place within the Council and will be applied for the purpose of informing service plans and other Council documents and procedures. Provision for a range of contact channels either has or will be provided for each Council service with accompanying support to ensure access for individuals with special requirements, vulnerable residents and those that require assistance to self-serve.

Our commitment to improving access to services is also evident through the Community Hubs programme that is expanded in further detail beneath the '**Build cohesion and create welcoming communities**' section below.



Objective 2: Reduce poverty

At a time when the potential for economic growth in the borough is at its greatest. Our [Economic Growth Strategy 2016-2021](#) establishes the need to increase the skills base in Thurrock to tackle inequality using economic prosperity as a means to end poverty.

We recognise employment is the main route out of poverty and the need for parents to receive a living wage, and support for skills development, to break the cycle of in-work poverty. As one of the largest employers, we introduced the Living Wage in April 2013. With 80% of our workforce made up of Thurrock residents this was a significant move by the Council. Through the implementation of the Council's [Social Values Framework](#) and Procurement Strategy, we extend this expectation to our providers, contractors and sub-contractors.

Child poverty

According to data released by HMRC in 2014, a fifth of children in Thurrock live in relative poverty. This means that 7,955 children (or 18.6%) live in families with an income below 60% of the national average income. Taking into account the projected population growth, we intend to reduce the number of children in relative poverty by at least 4,000 children by 2020 involving the whole community including employers, faith groups, voluntary organisations and residents to work alongside public agencies to achieve this outcome.

Both our [Children and Young People Plan \(CYPP\)](#), [Child Poverty Strategy and supporting action plan](#) provide additional context, priorities and means to enable the Council and its partners to reduce child poverty in Thurrock.

Welfare reform

A cross agency group meets on a regular basis to review the impact of welfare reform in Thurrock and to consider actions to mitigate negative impact. The group supports planning for key policy changes (e.g. the roll out of Universal Credit) and is chaired by the Council's Corporate Director for Adults, Housing and Health with representation from a range of partners from the Department for Work and Pensions and community and voluntary sector.

The impact of welfare reform is evident on many of our residents. The Council operates a [Fair Debt Policy](#) which aims to support people with a view to agreeing reasonable payment arrangements, minimising recovery action and helping to alleviate hardship.



Objective 3: Build cohesion and create welcoming communities

Communities may define themselves by neighbourhood, ethnicity or culture, age group, faith, sexual orientation, language, gender or other characteristics or interests. Community cohesion describes the ability of all communities to function and grow in harmony together rather than in conflict.

Its purpose is to build communities where people feel confident that they belong and are comfortable mixing and interacting with others, particularly with people from different ethnic backgrounds or people of a different faith.

Building cohesion within and between communities is an essential step towards improving people's quality of life. Viewed from outside, a cohesive community is one in which people will want to live and invest and feel welcomed when they do.

Key indicators of community cohesion relate to how people feel about their local area. It can therefore be used as a measure of how well different minority and majority communities develop and relate to each other.

This section of the Single Equality Scheme provides:

- feedback from the council's most recent [Residents Survey](#)
- an overview of the Stronger Together Partnership
 - Asset Based Community Development (ABCD)
 - Local Area Coordination (LAC)
 - Community Hubs
- Hate crime and Prevent



Residents Survey

During November and December 2016, an independent research organisation was commissioned by the council to interview 1,000 residents by phone asking a series of questions to determine their satisfaction with the local area, feeling part of a community and their safety. Interviewees were targeted from different wards, ages and genders. Feedback from the survey told us that almost 7 of every 10 residents (69%) are satisfied with their local area as a place to live, whilst nearly 2 in 10 (19%) are not satisfied with those living in Corringham and Fobbing, and Stanford-le-Hope West most satisfied (89%) and those Tilbury Riverside and Thurrock Park (52%) followed closely by Grays Riverside (49%) and Tilbury St Chads (47%).

When asked about common problems in their local area, residents said there were problems with issues including rubbish or litter lying around (44%), groups hanging around the streets (42%), people using or dealing drugs (36%), vandalism, graffiti and other deliberate damage to property or vehicles (33%) and people being drunk or rowdy in public places (28%).

Almost 9 out of every 10 residents (89%) say they feel safe when outside in their local area during the day, whilst nearly 6 in 10 (56%) feel safe when outside in their local area after dark with around 3 in 10 (31%) say they feel unsafe when outside in their local area after dark.

The results from the Residents Survey will inform the key performance indicators (KPIs) for the council going forward to reflect the issues of most concern to residents as well as providing evidence to help with policy direction and decision-making.

Whilst the majority of residents surveyed were satisfied with Thurrock as a place to live and have a sense of belonging, we recognise we need to achieve more in order to successfully encourage communities to engage with and shape local opportunities that can impact on an area's quality of life.

Ensuring Thurrock actively welcomes different communities, and recognises the range of skills and benefits which diversity brings, is essential to increasing the confidence of new communities to participate with networks across the borough.



Asset Based Community Development (ABCD)

A key feature of our approach to community cohesion is to see positive community engagement as the pivot, or enabler. If people feel they can influence the decisions that affect their lives, they are likely to feel a greater investment in where they live.

Our approach in Thurrock has embraced ABCD within the context of a wider [Stronger Together Partnership](#) involving the council and partners from the community and voluntary sector. The partnership works with grass roots organisations and residents groups wherever possible, adopting a peer to peer approach to help build connections between people. The partnership supports the delivery of a number of initiatives including Local Area Co-ordination and the Community Hubs programme:

Local Area Co-ordination

Local Area Coordination supports our residents to stay strong, safe, well, resilient, independent and contributing citizens to their local communities. Local Area Coordination is a long-term, person centred, strength and evidence-based approach to supporting people who may be socially isolated, lonely, excluded or marginalised.

Introduced in June 2013, Local Area Coordinators (LACs) work to strengthen the capacity of communities to welcome and include people and to make services more personal, flexible and accountable. LACs connect people in their local neighbourhood and work alongside people in very practical ways, always looking for local no / low cost solutions through the networks and resources that they know within the community. LACs support people to create their own solutions within communities that are inclusive and supportive. They believe in the strength and contribution of all local people (including those who are labelled as service users / clients or social care recipients) to build and pursue a positive vision for Thurrock. Local Area Coordinators build partnerships with local people, communities, organisations and services - nurturing and sharing the resources within our communities and ensuring that **marginalised individuals** are active and valued. LACs support people to find ways to make a better life. They cover all areas in Thurrock and are based in towns and villages. They ask people "**what would make a good life for you**", and support them to lead that life in their local community.

To date, **over 2000** local people have been supported with a range of positive outcomes arising from direct contact with LACs extending from access to housing, training and employment together with volunteering.

A report relating to the value of LAC in Thurrock was completed in October 2015 and is entitled 'Social Value of Local Area Coordination – A Forecast Social Return on Investment for Adult Social Care, Thurrock Council'. The report can be viewed here:

https://www.thurrock.gov.uk/sites/default/files/assets/documents/lac_report_2015.pdf



Community hubs

At the time of publishing, Thurrock has six operational 'community hubs' in South Ockendon, Tilbury, Chadwell St. Mary, Stifford Clays, Purfleet and Aveley.

These are largely volunteer-led in their service offer but support residents access a wide range of public services. A core element of the Hub offer is supporting people to access on-line services, including benefits that complement the Council's [Customer Service Strategy: 2017-2020](#).

Hubs are very inclusive and can be pro-active in helping meet local need by involving residents in designing the solution to local issues. As our population grows, Hubs will be an increasingly important resource for new residents to help navigate the borough, its services, and opportunities for engagement.

Further information on the location and services available in community hubs is available at www.strongertogether.org.uk

Hate Crime and Prevent

Thurrock has a proactive approach to raising awareness around hate crime and reporting. A number of Hate Crime Reporting Centres have been established and are currently the subject of review to determine how best to promote and support their expansion across the borough. Targeted work has reduced hate crime in hot spots, and this approach will be rolled out to other areas as necessary. Since our last Single Equality Scheme was prepared, reported incidents of racial hate crime in Tilbury for example have reduced as a result of community events, working with schools and targeted awareness campaigns.

This work is led by Thurrock's Community Safety Partnership and depends on close working with the community and voluntary sector, as are 'Stay Safe' events targeting adults with learning disabilities. Thurrock Community Safety Partnership (TCSP) comprises representatives from Essex Police, Thurrock Council, Thurrock Youth Offending Service, Thurrock Drug and Alcohol Team, Essex Fire and Rescue Service, Office of the Essex Police and Crime Commissioner, Thurrock CCG, Essex NHS, National Probation Service, and, Essex Community Rehabilitation Company.

The group have established a number of key priorities that incorporate reducing harm and safeguarding vulnerable victims from hate crime along with following the government's counter terrorism strategy – Prevent. Priorities and actions are set out in a shared [Thurrock Prevent Strategy and Thurrock Community Safety Partnership \(hereon CSP\) Delivery Plan](#).

The priorities were informed by a strategic assessment, a legal requirement, which identifies the scale and scope of crime, disorder and community safety issues within Thurrock.



As the Government's Prevent agenda becomes more relevant to all areas and all public bodies, we will continue with our approach to supporting integration and cohesion. Reducing community tensions is a priority for Prevent in Thurrock. The nature of tensions, conflicts and divisions differ from one area to another: there may be tensions and mistrust between different ethnic or faith groups, urban and rural dwellers, new arrivals and long-term residents, inter-generational lines or as a consequence of national or international incidents.

Prevent in Thurrock provides a framework for assessing risk and supporting communities at such times, as well as raising risks within a safeguarding framework.

Violence against women and girls

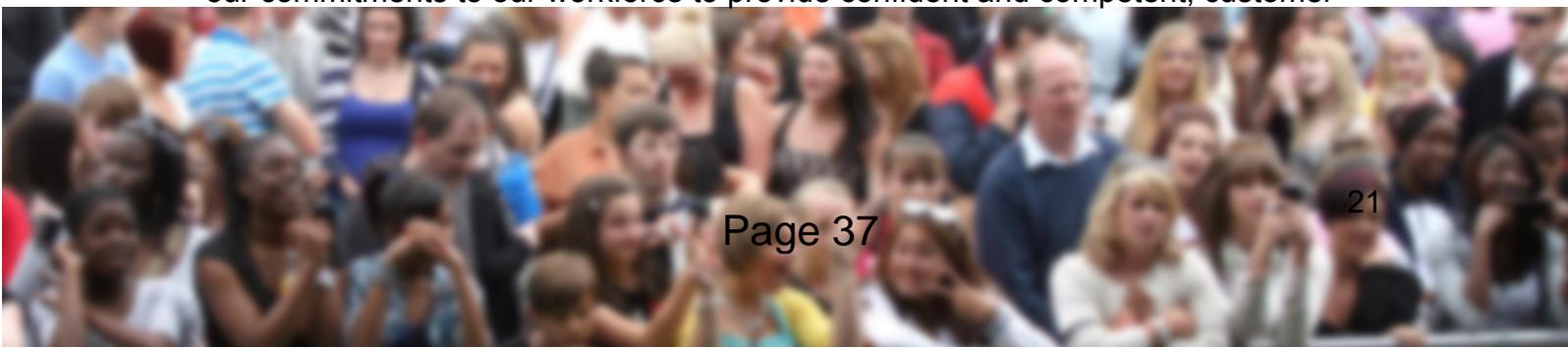
The Thurrock Community Safety Partnership is committed to meeting the needs of both women and men by tackling all forms of exploitation and abuse across Thurrock and by delivering protection and legal redress for all and have in place a strategy to address Violence against Women and Girls” (VAWG). The Vision of this Strategy is for everyone in Thurrock to live a life free from domestic and sexual violence and abuse and harmful practices, which encompasses a range of unacceptable and deeply distressing crimes, including domestic violence and abuse; sexual violence; child sexual abuse; stalking; so-called “honour-based” violence – including forced marriage and female genital mutilation (FGM); gang-related violence; and human trafficking.

Objective 4: Develop a workforce that is equipped with the skills and confidence to support and enable our changing organisation and communities

We appreciate that equality of opportunity is fundamental to maximising the engagement and performance of our people and we strive to create a positive environment through education and awareness-raising of equality and diversity both within the organisation and the wider borough.

By living the standards we set, we will provide a customer first approach, with a workforce that is representative of the borough's demographic profile, carrying the capacity and skills to deliver what is required to support all of our communities and harness the diversity of our working environments.

In this regard, we have adopted a People Strategy for the period 2017-2020 that overlaps and enables the delivery of the Council's [Customer Service Strategy: 2017-2020](#) and [Digital and Information Technology Strategy: 2017-2020](#) setting out our commitments to our workforce to provide confident and competent, customer



focussed, efficient and effective services working in collaboration with partners.

Within the context of the People Strategy, we are developing a suite of tools to ensure that our staff have the skills and confidence to complete meaningful engagement with service users and wider communities, enabling an ethos of inviting and progressing locally led-solutions over more traditional service delivery models.

We will ensure that every member of staff also feels engaged, and has a range of channels, including a series of staff forums and a Corporate Workforce Group, to express their views and opinions freely and have their contribution recognised.

We have a range of policies currently in place to ensure that our staff are supported including a/an:

- Disabled Persons in Employment Policy
- Equal Opportunities Policy
- Religion and Belief in the Workplace Policy
- Sexual Orientation and the Workplace Policy
- Shared Parental Leave Policy
- Staff Transitioning Policy
- Working Families Policy and Procedure
- Harassment and Bullying Policy

Corporate Equality Framework

The Corporate Equality Framework (CEF) has been integrated with the Single Equality Scheme as it sets out some of the operational practice in place to allow us to meet our statutory equality duties. The framework further describes our commitment to future engagement with individuals, groups and wider communities along with monitoring and evaluating delivery of the objectives highlighted in the Single Equality Scheme (SES) and external validation of the same.

Governance arrangements

A key mechanism for improving equality outcomes is how the organisation implements its corporate priorities ensuring that all relevant strategy and policy development reflects our equality objectives.

The following section provides an overview of those boards and groups within the organisation that support the monitoring and delivery of our equality objectives. Additional information relating to the partnerships we work with are also outlined in this section.



Directors Board

The primary purpose of Directors Board (DB) is to enable the Council's most senior officers to collectively manage the day to day business of the Authority and to ensure that the management of the Council is given strategic direction in line with the Council's overall objectives not limited to the commitments to equality and requirements set out in related legislation.

People Board

Building and fostering a truly customer-focused culture requires cultivating a real commitment to equality across the organisation. People Board facilitates the joining up of HR, Equalities and Cultural Change activities across the council.

The Board plays a key role within the implementation and monitoring of the SES and CEF for the purpose of improving the organisation's performance relating to diversity through joint work across recruitment, selection, induction, probation, training and development, career progression, succession, service planning, and capability processes.

Directorate Management Teams (DMT)

Directors through their management teams have a strong role to play in terms of addressing the commitments and actions set out in our corporate plans, and ensuring that service design, planning and delivery reflects all relevant statutory equality requirements. Management teams plan for risk, monitor service delivery and review progress in many areas. While it may be necessary to establish working groups to progress specific equality projects or work, departments ensure issues and opportunities around equalities are addressed as part of normal SMT meetings. This ensures that planning, delivering and monitoring equality becomes a business as usual operation rather than a separate activity.

Service Teams

The delivery of improved equality outcomes will depend on the work of managers and their teams. Managers will ensure staff are aware of this combined SES and CEF and particularly the four equality objectives highlighted.

Team Managers will also ensure that individuals, through team plans and the performance and review process, have clear ownership of actions.

This approach will require closer working between teams, service users, and community groups to ensure a real partnership approach. To underpin this focus, managers will ensure performance reviews reference the performance and



behaviour framework. The behaviour framework highlights the behaviours and competencies required to support our equality priorities.

Staff Forums

The Council has six staff forums representing protected characteristics and specific matters relating to: Black, Asian and Minority Ethnic (BAME), Disability, Lesbian, Gay, Bisexual + (LGBT+), Mental Health, Women and Men.

The forums provide a mechanism for staff to contribute to service improvement activities and communicate with the council on equality issues that impact on staff welfare.

The forums are operated through staff chairs independently elected by forum members.

Forum Chairs come together regularly with Human Resources, Organisational Development, the Community Development and Equalities Team and trade unions through a Corporate Staff Forum where collective matters are shared ranging from strategic to operational matters affecting the workforce.

The Chief Executive meets with staff forum chairs at regular intervals to understand the issues and opportunities arising from membership and People Board sponsor and ensures that staff issues are effectively addressed or progressed at the highest level.

Corporate Workforce Group (CWG)

The Corporate Workforce Group works to shape the council's People Strategy and to build on the positive culture in the organisation. The group is made up of representatives from all directorates and meets at quarterly intervals.

CWG is chaired by members of the group and attended by the Chief Executive.

Functions of the group include:

- co-ordination and running of directorate workforce groups to discuss issues within directorates for taking forward;
- providing a critical friend to Directors' Board and other operating boards within the council;
- supporting, by attendance and consultation, workforce related projects across the organisation, and,
- championing workforce initiatives, including the staff survey.



Partnership Boards

How the organisation plans and manages its external partnerships and internal resources in order to support its policy and strategy and the effective operation of its processes is critical to ensuring that we meet our statutory duties.

The council has a number of statutory partnership boards which include the Health and Wellbeing Board, the Community Safety Partnership and the Local Safeguarding Children Board (LSCB).

These boards all have specified duties and responsibilities, supported by a network of sub-boards and delivery work-streams. Key officers act as critical friends to these partnership boards, to ensure relevant equality issues are effectively addressed.

Consultation and engagement

In line with the planned regeneration and growth for the borough, Thurrock's population is set to grow further. More homes are to be built and our neighbourhoods will expand, potentially changing the 'urban village' feel of Thurrock. As a result, our population will continue to become more diverse.

We must know and understand all our communities – including emerging communities. Engaging positively with all communities will help us to ensure people come together around the issues they share concern about and helping to build stronger communities.

The Council is currently refreshing its Community Engagement Strategy to support an efficient means for engaging our diverse communities as Thurrock embarks on further growth, regeneration and demographic change. The strategy will have a supporting implementation plan that will build on the opportunities communities identify through engagement to build resilience and cohesion, improve resident satisfaction and promote citizenship. It will also seek to increase the potential to support opportunities to help communities deliver alternative activities and solutions to those delivered by statutory agencies.

Community Equality Impact Assessments

Community Equality Impact Assessment is a critical examination of a policy, practice or procedure in order to identify any adverse, detrimental or negative outcome that it may have on any individuals or specific groups of people.

All Council policies, strategies, functions and services are assessed in terms of the impacts they have on the different groups which make up our community.

Carrying out a Community and Equalities Impact Assessments (CEIA) helps us to:



- ensure our services are accessible to all and meet the needs of our customers and staff,
- ensure that we deliver our policies and strategies in a practical way, and,
- meet our legal responsibilities and duties set out in relevant legislation

We are committed to ensuring we understand the implications of our services to serve our diverse community appropriately. This ensures that our services are provided fairly, are genuinely accessible to all and avoid any unintentional negative impact on any group of people.

Annual Equality Report

We collect and publish a range of equality related information as required by the Equality Duty. We gather information covering all the protected characteristics as and where relevant, this includes: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Our equality information helps us identify and understand potential key equality issues across our functions including employment and service delivery areas influencing Council policy and practice.

To view the Council's most recent Annual Equality Report, please refer to: <https://www.thurrock.gov.uk/equality-and-fairness/equality-duty>

Equality standards

The Council is committed to a range of existing external validation assessments that measure our commitment to equality although we expect these to grow across the lifetime of this combined SES/CEF.

All managers and service heads will be aware of the specific requirements of these standards and how they relate to their areas through regular internal communications and additional briefings where relevant.



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Glossary of terms

Term	Definition
BAME	Black, Asian and minority ethnic
Bisexual	The Encompass Network defines bisexual as “romantic and sexual attraction toward both men and women”.
Discrimination	The unjust or prejudicial treatment of different categories of people
Equality Impact Assessment (EqIA)	An assessment of whether the Council’s strategies, policies, projects, contracts, major changes in services, and decisions affect different groups of people in different ways , and whether there are any steps that can be taken to reduce any adverse impacts
Ethnicity	Belonging to a social group that has a common national or cultural tradition
Gay	The Encompass Network defines gay as “sexual and romantic attraction to a person of the same gender as the individual”.
Gender reassignment	The Equality Act 2010 defines gender reassignment as someone who “is proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex.”
Harassment	Aggressive pressure or intimidation
Lesbian	The Encompass Network defines lesbian as “a woman who is primarily or solely attracted (romantically and/or sexually) to other women”
LGB	Lesbian, gay and bi-sexual
LGB&T	Lesbian, gay, bisexual and transgender
LGBTQ	Lesbian, gay, bisexual, transgender, and queer or questioning.
Prejudice	Preconceived opinion about someone that is not based on reason or actual experience



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23 January 2018	ITEM: 6
Corporate Overview and Scrutiny Committee	
Treasury Management Strategy 2018/19	
Wards and communities affected: All	Key Decision: Yes
Report of: Sean Clark, Director of Finance and IT	
Accountable Assistant Director: n/a	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is public	

Executive Summary

The Treasury Management Strategy is a critical component of the way Thurrock Council manages cash-flow. It is also intrinsically linked to the council's ambitions of becoming a more commercially focused borough; one where sensible transactions are completed which create revenue returns which can then be allocated to spending on the services for Thurrock residents.

The Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services and the Prudential Code requires local authorities to determine the Treasury Management Strategy and Prudential Indicators on an annual basis. The annual strategy also includes the Annual Investment Strategy that is a requirement of the Department for Communities and Local Government Investment Guidance.

In accordance with the above Codes, this report:

- a) sets out the Treasury Management strategy for 2018/19;
- b) confirms the proposed Prudential Indicators for 2018/19; and
- c) sets out the Treasury Management projections for 2018/19.

1 Recommendation(s)

1.1 That the Corporate Overview and Scrutiny Committee comment on the 2018/19 Treasury Management Strategy.

2 Introduction and Background

2.1 The Treasury Management Strategy and Annual MRP Statement are prepared under the terms of the CIPFA Prudential Code for Capital Finance in Local

Authorities (the Code) and approval is sought for the adoption of the Prudential Indicators that have been developed in accordance with the Code.

- 2.2 The report also includes a forecast for Interest Receivable from Investments and the indicative Interest Payable on Borrowing.

Borrowing Activity 2017/18 and 2018/19

- 2.3 The underlying need to borrow for capital purposes, as measured by the Capital Financing Requirement (CFR), together with the level of balances and reserves, are the core drivers of Treasury Management activity. The estimates, based on the current revenue budget and capital programmes are:

	31/3/2019 Estimate £m	31/3/2020 Estimate £m	31/3/2021 Estimate £m
General Fund Borrowing CFR	507,020	520,016	514,597
Housing Revenue Account Borrowing CFR (includes effects of Housing Finance Reform based on current available figures)	198,804	198,804	198,804
Total Borrowing CFR	705,824	718,820	713,401
Less: External Borrowing	702,889	722,889	724,889
Internal/(Over) Borrowing	2,935	(4,069)	(11,488)
Less: Useable Reserves	8,420	8,840	9,260
Borrowing Requirement	(5,485)	(12,909)	(20,748)

- 2.4 The increases above demonstrate the size of the council's capital programme needs in both recent and future years. Repayments of prudential debt are made through the annual MRP provision and where surplus cash balances are accumulated. However, the amounts needed to finance the capital programme, even just essential operational requirements, are in excess of these repayments.
- 2.5 The Council's levels of borrowing and investments are calculated by reference to the balance sheet. The Council's key objectives when borrowing money are to secure low interest costs and achieve cost certainty over the period for which funds are required, all underpinned with sound Return on Investment principles. A further objective is to provide the flexibility to renegotiate loans should the Council's long term plans change.
- 2.6 In light of the ongoing reductions to Local Government funding, the Council's focus of the treasury management strategy remains on the balance between affordability and the longer term stability of the debt portfolio. Given the availability of low short term interest rates it remains cost effective to borrow over short term periods or utilise internal balances. The table above shows that it should not be necessary for the Council to borrow further funds above

the current levels and this will be monitored on a regular basis by officers to assess the most appropriate form of borrowing. In the short term, these balances are generating investment returns to support service delivery.

- 2.7 This further enables the Council to reduce borrowing costs and hence the overall treasury management risk. While such a strategy may be beneficial over the next 2 to 3 years as official interest rates remain low, it is unlikely to be sustainable in the medium-term. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise. The Council's advisors, Arlingclose, assist the Council with detailed breakeven analysis to support this assessment. This will help inform whether the Council borrows additional sums at long term fixed rates in 2018/19.
- 2.8 In addition, the Council may use short term loans (normally up to one month) to enable management of the Council's cash flow and, where possible, generate a return on investment
- 2.9 In conjunction with advice from its treasury advisor, the Council will keep under review the following sources for long term and short term borrowing:
- Public Works Loan Board (PWLB) loans and its successor body;
 - UK Local Authorities;
 - Any institution approved for investments;
 - Any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK;
 - Public and private sector pension funds;
 - Capital market bond investors;
 - UK Municipal Bonds Agency;
 - Special purpose companies created to enable joint local authority bond issues;
 - Local Authority bills; and
 - Structured finance, such as operating/finance leases, hire purchase, Private Finance Initiative or sale and leaseback.
- 2.10 With regards to debt rescheduling, the PWLB allows Councils to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Some lenders may also be prepared to negotiate premature repayment terms. The Council has in 2017/18 reviewed the debt portfolio to identify opportunities expected to lead to an overall saving or reduction in risk. At this time, it is not financially prudent to take any options of early repayment, owing to early redemption fees.
- 2.11 Borrowing and rescheduling activity will be reported to the Cabinet on a regular basis during 2018/19.
- 2.12 In August 2010 the Council repaid its entire PWLB portfolio of loans (£84 million) to obtain significant interest savings. The re-financing was undertaken by utilising short term funds from the money markets, mainly other Local Authorities, at substantially lower rates than taking longer term fixed debt. To the end of 2016/17 the rescheduling had saved £22.3m of interest costs and is

estimated to have saved £25.7m by the end of 2017/18. Currently financing from short term money market debt is expected to continue into 2018/19 and beyond. The inherent risk of this strategy is noted with potentially higher rates and increased debt costs in the future.

- 2.13 The Council retains the ability to fix interest rates. This can be achieved within a matter of days of the decision being made or profiled against the maturity schedule of the short term debt. Current forecasts from the council's advisors, Arlingclose, show no expected official interest rate increase until after December 2020 with the official rate remaining at 0.50% until that time. There is both a downside and upside risk of 0.25% either way to the forecast, but, the overall forecast is for rates to remain where they are for the foreseeable future. The normalised level of the bank base rate post this period is expected to be between 2.50% to 3.50%.
- 2.14 Based on this outlook, the council may borrow on a short term basis when deemed beneficial to the taxpayer while monitoring interest rates to ensure borrowing is fixed if required.
- 2.15 The Council has £29 million of loans which are LOBO loans (Lenders Option Borrowers Option) where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of these loans, excluding one with Barclays, could now be amended at the request of the lender only and, although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. In the event the lender exercises the option to change the rate or terms of the loan, the Council will consider the terms being provided and also repayment of the loan without penalty. The Council may utilise cash resources for repayment or may consider replacing the loan by borrowing from the PWLB or capital markets. Barclays have taken out the option to increase the rate of their loan thereby effectively turning the loan into a fixed rate deal. LOBO loans have become less attractive to Banks and there may be opportunities in the future to redeem these loans. Officers, along with Arlingclose, will continue to monitor any developments in this area.
- 2.16 On 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and Housing Revenue Account (HRA) pools. New long-term loans will be assigned in their entirety to one pool or the other. Interest payable and other costs and income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged or credited to the respective revenue account. The Council will credit interest to the HRA based on the average balances of its reserves and revenue account balance at the average 7 day LIBID rate for the year.
- 2.17 The Council continues to undertake a series of new housing related building schemes utilising borrowing headroom within the HRA debt cap. Current indications are for the borrowing costs for these schemes will put the Council's HRA borrowing level close to its debt cap. The Council will therefore manage this programme to keep the HRA borrowing level within the debt cap by utilising other resources such as capital receipts from Council house sales,

other cash backed resources, or through bidding for increases to the debt cap where considered prudent.

- 2.18 Finally, there may be significant regeneration programmes to consider investment vehicles for. The need to borrow for investment will be on a case by case basis after considering investment returns, risk and the result of due diligence.

Investments

- 2.19 The Council holds significant invested funds, representing loans received in advance of expenditure plus balances and reserves held. It is envisaged that investment balances held internally will be approximately £15 million at the financial year end. The Council may invest its surplus funds with any of the counterparties detailed in Appendix 2.
- 2.20 The Council holds a £50m investment in the CCLA Property Fund that is estimated to provide a gross return in 2017/18 of 5% with income in the region of £2.5m. The Council has also invested in a number of bonds of various durations since 2016/17 that provides finance to the private sector for, as an example, the purchase of solar farms, whilst providing significant net returns to the council to support front line services in a move towards financial sustainability.
- 2.21 Local Authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk and to reduce costs or increase income at the expense of greater risk. The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over Authorities use of standalone financial derivatives. The CIPFA code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.
- 2.22 The Council will only use standalone derivatives (such as swaps, forward, futures and options) where they can be clearly demonstrated to reduce the Council's overall exposure to financial risks. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds, will not be subject to this policy, although the risks they present will be managed in line with the overall Treasury Management strategy.
- 2.23 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit. The Local Authority will only use derivatives after seeking expertise, a legal opinion and ensuring officers have the appropriate training for their use.
- 2.24 The Council complies with the provisions of s32 of the Local Government Finance Act 1992 to set a balanced budget.
- 2.25 The needs of the Council's Treasury Management staff for relevant training are assessed as part of the annual staff appraisal process and additionally

where the responsibilities of individual members of staff change. Staff attend courses, seminars and conferences provided by the Council's advisors and CIPFA. Corporate Finance staff are encouraged to study for professional accountancy qualifications from appropriate bodies.

- 2.26 The Council has appointed Arlingclose Ltd as Treasury Management advisers and receives specific advice on investments, debt and capital financing issues. The quality of service is assessed by regular review meetings between Arlingclose Ltd and officers from the Council.
- 2.27 The Council may borrow in advance of need where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware it will be exposed to the risk of loss of the borrowed sums and the risk that investment and borrowing rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks. The total amount borrowed by the Council will not exceed the Council's Authorised Borrowing Limit as set in the prudential indicators. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure. Any potential situation will be assessed for suitability as to the overall effect on the Council's treasury position.

Annual Minimum Revenue Provision Statement

- 2.28 Local Authorities are required to prepare an Annual Statement of their policy on making MRP for each financial year. Appendix 3 outlines the assessment of the Council's Annual MRP Statement for 2018/19, which is included in the Annual Strategy in paragraph 2.30.
- 2.29 Officers have reviewed the current strategy and recommend no changes to the 2018/19 strategy.
- 2.30 Consequently the following paragraphs on Borrowing Activity and Investments form part of the Council's Treasury Management Strategy with effect from 1 April 2018:
 - 2.30.1 To obtain any long term borrowing requirement from the sources of finance set out in paragraph 2.9;
 - 2.30.2 To continue to fund the ex-PWLB debt via short term funds from the money markets unless circumstances dictate moving back into long term fixed rate debt. The borrowing sources mentioned in paragraph 2.9 will then be assessed as to their suitability for use;
 - 2.30.3 To repay market loans requiring renewal by realising equivalent amounts of investments. If it is not possible to realise investments then the borrowing sources in paragraph 2.9 will be assessed as to their suitability for use as replacements;
 - 2.30.4 To undertake short term temporary borrowing when necessary in order to manage cash flow to the Council's advantage;

- 2.30.5 To reschedule market and PWLB loans, where practicable, to achieve interest rate reductions, balance the volatility profile or amend the debt profile, dependent on the level of premiums payable or discounts receivable;
- 2.30.6 To ensure security and liquidity of the Council's investments and to then optimise investment returns commensurate to those ideals;
- 2.30.7 To contain the type, size and duration of investments with individual institutions within the limits specified in Appendix 2;
- 2.30.8 To move further funds into the CCLA Property Fund or other externally managed funds if it is felt prudent to do so following appropriate due diligence; and in consultation with the Cabinet Member for Finance and Legal.
- 2.30.9 To meet the requirements of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 the Council's policy for the calculation of MRP in 2018/19 shall be that the Council will set aside an amount each year which it deems to be prudent and appropriate, having regard to statutory requirements and relevant guidance issued by DCLG. The Council will also consider the use of capital receipts to pay down any MRP incurred; and
- 2.30.10 To ensure all borrowing and investment activities are made with due reference to any relevant Prudential Indicators.

The Prudential Indicators

- 2.31 The Prudential Indicators are monitored by the Council to ensure that capital investment is affordable, prudent and sustainable. The indicators are reassessed annually to ensure their continuing relevance and appropriateness to the Council. The proposed indicators for 2018/19 are set out in Appendix 1 to this report.

Interest Projections 2017/18 Revised and 2018/19 Original

- 2.32 The CIPFA document Treasury Management in the Public Services: Code of Practice places a requirement on the Council to publish estimates relating to the operation of the borrowing and investment function.
- 2.33 The 2017/18 budget and the projected position for 2017/18 as at December 2017 and also an initial projection for 2018/19 are shown in summary format in the table below:

	Budget 2017/18 £000's	Projected 2017/18 £000's	Projection 2018/19 £000's
Interest payable on External Debt			
Debt Interest		4,801.1	6,327.9
Total internal interest		51.0	51.0
Interest payable	<u>4,747.1</u>	<u>4,852.1</u>	<u>6,378.9</u>
Investment Income			
Interest on Investments	<u>-6,172.3</u>	<u>-11,317.3</u>	<u>-16,421.0</u>
Net interest credited to the General Fund	<u>-1,425.2</u>	<u>-6,465.2</u>	<u>-10,042.1</u>
MRP- Supported/Unsupported Borrowing	<u>4,561.7</u>	<u>4,463.0</u>	<u>6,006.0</u>
	<u>3,136.5</u>	<u>-2,002.2</u>	<u>-4036.1</u>

2.34 It is noted that the figures shown above for 2018/19 include assumptions made about the level of balances available for investment, any anticipated new long term borrowing and the level of interest rates achievable. They may be liable to a significant degree of change during the year arising from variations in interest rates, other market and economic developments, and Council's response to those events.

2.35 In accordance with the requirements of the revised CIPFA Treasury Management Code, the Council will report on treasury management activity and the outturn against the treasury related Prudential Indicators at least bi-annually.

3 Issues, Options and Analysis of Options

3.1 The strategy of the Council is contained within the body of the report and has been set with consideration of relevant legislation and appropriate guidance. The Prudential Indicators are governed by decisions made on the revenue and capital budgets.

3.2 There are two key areas in this report for Members to be particularly mindful of:

- a) The potential for temporary borrowing at significant levels in the future. Officers will continue to monitor this to react to any changes in the economy; and
- b) The approach taken to the Minimum Revenue Provision.

4 Reasons for Recommendation

4.1 There is a statutory requirement for a Treasury Management Annual Strategy and the Annual Minimum Revenue Provision Statement to be ratified by Full

Council. This report and appendices have been written in line with best practice and the Council's spending plans

5 Consultation (including Overview and Scrutiny, if applicable)

- 5.1** The Council's Treasury Advisors have been consulted. As set out in section 4, the report is largely based on best practice and the Council's spending plans that have been scrutinised throughout recent months.
- 5.2** Any comments from the Corporate Overview and Scrutiny Committee will be reported to Cabinet for their consideration.

6 Impact on corporate policies, priorities, performance and community impact

- 6.1** Treasury Management plays a significant role in funding the delivery of services to the community. The debt restructuring carried out in August 2010 will have contributed savings in the region of £25.7m by the end of 2017/18.

7 Implications

7.1 Financial

Implications verified by: **Chris Buckley**
Treasury Management Officer

The financial implications are included in the main body of the report.

7.2 Legal

Implications verified by: **David Lawson**
Assistant Director for Law & Governance and
Monitoring Officer

The report is in accordance with the Local Government Act 2003, related secondary legislation and other requirements including the Prudential Code.

Publication of the strategies is a statutory requirement and conforms to best practice as required by the CIPFA Code of Practice.

7.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

There are no direct diversity implications noted in this report

7.4 Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

- Not applicable

8 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):

- Revised CIPFA Prudential Code
- Revised draft ODPM's Guidance on Local Government Investments
- Revised CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes
- Treasury Management Policy Statement
- 2017/18 Annual Investment Strategy
- Arlingclose's Investment Review.

9. Appendices to the report

- Appendix 1 – Prudential Indicators
- Appendix 2 – Specified and Non-Specified Investments
- Appendix 3 – Annual Minimum Revenue Provision Statement

Report Author:

Chris Buckley

Senior Financial Accountant

Corporate Finance

PRUDENTIAL INDICATORS 2018/19 TO 2020/21

The following prudential indicators are recommended to the Council.

A. Prudential indicators for Affordability

In demonstrating the affordability of its capital investment plan the Council must:

- Determine the ratio of financing costs (e.g. capital repayments, interest payments, investment income) to net revenue stream for both the Housing Revenue Account (HRA) and non-HRA services for a 3 year period.
- Determine the incremental impact on the Council tax and housing rents (in both instances the scope for increases is governed by the Government's ability to limit council tax increases and the current restriction on council rents).

Indicator A1 sets out the ratio of financing costs to net revenue stream. The estimates of financing costs include current commitments and the proposals in this budget report.

A1: Prudential indicator – Estimates of the ratio of financing costs to net revenue stream 2018/19 to 2020/21

Indicator	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Non HRA	0.67%	-4.04%	-3.49%
HRA	13.60%	13.70%	13.70%

Indicators A2 and A3 set out the estimated incremental impact on both the levels of council tax (Band D equivalent) and housing rents of the recommended capital investment plans and funding proposals. The impact has been calculated using the latest projections on interest rates for both borrowing and investments. The impact does not take account of government support included for new borrowing within the formula spending share and housing subsidy.

A2: Prudential indicator – Estimates of the incremental impact of the new capital investment decisions on the council tax 2018/19 to 2020/21

Indicator	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Additional annual Council Tax requirement	2.84	33.28	38.05

A3: Prudential indicator – Estimates of the incremental impact of the new capital investment decisions on the average weekly housing rents 2018/19 to 2020/21

Indicator	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Addition in average weekly housing rent	3.36	8.10	11.20

B. Prudential indicators for Prudence

B1: Prudential indicator – Gross debt and the capital financing requirement

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus estimates of any additional capital financing requirement for the current and next two financial years.

If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with gross external debt.

The Director of Finance and IT reports that the Council had no difficulty meeting this requirement in 2017/18, nor is there any difficulties envisaged in future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

Where the gross debt is greater than the capital financing requirement the reasons for this should be clearly stated in the annual treasury management strategy.

The table below shows the projected position from 31 March 2017.

Indicator	Estimate £'000
CFR at 31/3/17	356,217
Increase in 17/18	296,597
Increase in 18/19	53,010
Increase in 19/20	12,996
Total CFR	718,820
Gross Debt	700,000

C. Prudential indicator for Capital Expenditure

Elsewhere in this agenda is a recommendation for the capital investment plans for the Council over the next three years. Indicator C1 summarises the recommendations within that report. Indicator C2 sets out the estimates of the capital financing requirement over the same period.

C1: Prudential indicator – Estimates of total capital expenditure 2018/19 to 2020/21

Indicator	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Total Non HRA	53,940	16,744	15,021
Total HRA	13,500	6,500	1,714
Total Programme	67,440	23,244	16,735

In considering the capital investment plan the Council had regard to a number of key issues, namely:

- affordability, e.g. implications for council tax/housing rents
- prudence and sustainability, e.g. implications for external borrowing
- value for money, e.g. option appraisal
- stewardship of assets, e.g. asset management planning
- service objectives, e.g. strategic planning for the Council
- practicality, e.g. achievability of the forward plan.

C2: Prudential indicator – Estimates of capital financing requirement 2018/19 to 2020/21

Indicator	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
HRA	198,804	198,804	198,804
Non-HRA	507,020	520,016	514,597
Total	705,824	718,820	713,401

The estimates are based on the financing options included in the recommended capital investment programme. The estimates will not commit the Council to particular methods of funding – the actual funding of capital expenditure will be determined after the end of the relevant financial year.

The Council has a number of daily cashflows, both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with the approved treasury management strategy and practices. In day to day cash management no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. It is possible external debt could exceed the capital financing requirement in the short term.

D. Prudential indicators for External Debt

A number of prudential indicators are required in relation to external debt

D1: Prudential indicator – Authorised limit 2018/19 to 2020/21

Indicator	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Borrowing	911,521	931,521	933,521
Other Long Term Liabilities	600	400	200
Total	912,121	931,921	933,721

The authorised limit is the aggregate of gross borrowing (i.e. before investment) and other long term liabilities such as finance leases. In taking its decisions on the budget report the Council is asked to note that the authorised limit determined for 2018/19 in the above table is a statutory limit required to be determined by full Council under section 3(1) of the Local Government Act 2003.

The authorised limits are consistent with the Council's current commitments, existing plans and the proposals in the budget report for capital expenditure and financing, and with its approved treasury management policy statement and practices. The Director of Finance and IT confirms that they are based on the estimate of most likely, prudent but not worst case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cashflow requirements for all purposes.

D2: Prudential indicator – Operational boundary 2018/19 to 2020/21

Indicator	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Borrowing	861,521	881,521	883,521
Other Long Term Liabilities	600	400	200
Total	862,121	881,921	883,721

The operational boundary is based on the authorised limit but without the additional headroom. The operational boundary represents a key management tool for in-year monitoring by the Director of Finance and IT. As with the authorised limit figures for borrowing (gross) and other long term liabilities are separately identified.

The authorised limit and operational boundary separately identify borrowing from other long-term liabilities. It is recommended that Council delegate authority to the Director of Finance and IT, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for money for the Council. Any such changes made will be reported to the Council at its next meeting following the change.

D3: Prudential indicator – HRA Limit on Indebtedness Under Self Financing

This is known as the Debt Cap and is the absolute level of debt permitted under Self Financing Regulations. The debt cap was set at £188.141m which means debt attributable to the HRA cannot exceed this figure. Agreement to increase the debt cap to borrow by £11.58m in 2015/16 was approved by the DCLG, giving a revised debt cap £199.721m. At 31 March 2017 the Council had total HRA borrowing of £160.9m and the figure will be the same as at 31 March 2018.

E. Prudential indicators for Treasury Management

A number of prudential indicators are required in respect of treasury management. The indicators are based on the Council's treasury management strategy and take into account the pre-existing structure of the Council's borrowing and investment

portfolios.

E1: Prudential indicator – the Council has adopted the “CIPFA Code of Practice for Treasury Management in the Public Services” within its Financial Standing Orders.

The Council has adopted the code within the financial standing orders and monitors the treasury management function to ensure it continues to meet the specified requirements.

E2: Prudential indicators – Upper limits on interest rate exposure 2018/19 to 2020/21

Indicator	2018/19	2019/20	2020/21
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	50%	50%	50%

This indicator specifies the limits on the proportion on the Council net outstanding principal sums (i.e. net of investments) with fixed interest payments and variable interest payments.

The upper limit of 100% is a consequence of the Council maintaining an investment portfolio. Indicator E2a exemplifies the indicator over borrowing and investment.

E2a: Prudential indicators (supplemental) – Upper limits on interest rate exposure 2018/19 to 2020/21

Indicator	2018/19	2019/20	2020/21
Upper limit on borrowing – fixed rate exposure	100%	100%	100%
Upper limit on borrowing – variable rate exposure	50%	50%	50%
Upper limit on investments – fixed rate exposure	100%	100%	100%
Upper limit on investments – variable rate exposure	50%	50%	50%

Indicator E2a is supplemental to Indicator E2 and shows separately the maximum limits for both borrowing and investments. The indicator is not a requirement of the prudential code but it does show more clearly the interest rate exposure limits within which borrowing and investments will be managed.

E3: Prudential indicator – Upper and lower limits on the maturity structure of borrowing 2018/19

	Upper Limit	Lower Limit
under 12 months	100%	0%
12 months and within 24 months	60%	0%
24 months and within 5 years	60%	0%
5 years and within 10 years	60%	0%
10 years and within 20 years	60%	0%
20 years and within 30 years	60%	0%
30 years and within 40 years	60%	0%
40 years and within 50 years	100%	0%
50 years and above	100%	0%

The limits in Indicator E3 represent the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate at the start of the period.

E4: Prudential indicator – Principle sums invested for periods longer than 364 days

Indicator	2018/19	2019/20	2020/21
	£'000	£'000	£'000
Limit	450,000	450,000	450,000

This is the limit that the Council can have in investments that are for greater than one year. The council will have £360m as at 31 March 2018 and this provides headroom for further investments should opportunities arise.

E5: Prudential indicator – Credit Risk:

The Council employs Treasury advisors (Arlingclose) who provide monthly updates that consider security, liquidity and yield in that order, when making investment decisions. Credit ratings remain an important element of assessing credit risk, but, they are not a sole feature in the Council's assessment of counterparty credit risk. The Council also considers alternative assessments of credit strength and information on corporate developments and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum BBB- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);

- Share prices (where available);
- Economic fundamentals, such as country's net debt as a percentage of its GDP;
- Corporate developments, news, articles, market sentiment and momentum; and
- Subjective overlay

The only indicators with prescriptive values remain to be credit ratings. All other indicators of creditworthiness are considered in relative rather than absolute terms

Approved Investment Counterparties:

Credit Rating	Banks/Building Societies Unsecured		Bank/Building Societies Secured		Government		Corporates		Registered Providers	
	Amount	Period	Amount	Period	Amount	Period	Amount	Period	Amount	Period
UK Govt	N/A	N/A	N/A	N/A	£unlimited	50 years	N/A	N/A	N/A	N/A
AAA	£10m	5 years	£20m	20 years	£20m	50 years	£10m	20 years	£10m	20 years
AA+	£10m	5 years	£20m	10 years	£20m	25 years	£10m	10 years	£10m	10 years
AA	£10m	4 years	£20m	5 years	£20m	15 years	£10m	5 years	£10m	10 years
AA-	£10m	3 years	£20m	4 years	£20m	10 years	£10m	4 years	£10m	10 years
A+	£10m	2 years	£20m	3 years	£10m	5 years	£10m	3 years	£10m	5 years
A	£10m	1 year	£20m	2 years	£10m	5 years	£10m	2 years	£10m	5 years
A-	£7.5m	13 months	£15m	13 months	£10m	5 years	£10m	13 months	£10m	5 years
BBB+	£5m	6 months	£10m	6 months	£5m	2 years	£5m	6 months	£5m	2 years
BBB	£5m	100 days	£10m	100 days	N/A	N/A	N/A	N/A	N/A	N/A
BBB-	£5m	100 days	£10m	100 days	N/A	N/A	N/A	N/A	N/A	N/A
None	£5m	6 months	N/A	N/A	£5m	25 years	N/A	N/A	N/A	N/A

Pooled Funds ,External Fund Managers and any other investment vehicle approved by the Section 151 Officer – Decisions are based on each individual case following appropriate due diligence work being undertaken

The above limits are the maximum that the Council would expect to have in place at any time. However, in practice the actual duration limits in place are continually assessed in conjunction with Arlingclose and are often much shorter than the limits in the above table.

Credit ratings: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Banks and Building Societies Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Banks and Building Societies Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements. These investments are secured on the bank's assets, which limits the potential loss in the unlikely event of insolvency and means that they are exempt from bail-in. Where there is no investment specific credit rating, but, the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multi development banks. These investments are not subject to bail-in and there is an insignificant risk of insolvency. Investments with the UK Central government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but, are exposed to the risk of the company going insolvent.

Other Organisations – The Council may also invest cash with other organisations, for example making loans to small businesses as part of a diversified pool in order to spread the risk widely. Because of the higher perceived risk of unrated businesses such investments may provide considerably higher rates of return. The Council will also undertake appropriate due diligence to assist in all investment decisions.

Registered providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Community Agency and as providers of public services they retain a high likelihood of receiving Government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks coupled with the services of a professional fund manager in return for a fee. Money market funds that offer same-day liquidity and aim for a constant net asset value will be used as an

alternative to instant access bank accounts while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but, are more volatile in the short term. These allow authorities to diversify into asset classes other than cash without the need to own and manage the underlying investments. These funds have no defined maturity date but are available for withdrawal after a notice period. As a result their performance and continued suitability in meeting the authority's investment objectives will be monitored regularly and decisions made on entering such funds will be made on an individual basis.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the authorities' treasury advisers who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

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

Where a credit rating agency announces that a credit rating is on review for possible downgrade so that it may fall below the approved rating criteria then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks which indicate a long-term direction of travel rather than an imminent change of rating.

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

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but, can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the authorities cash balances then the surplus will be deposited with the UK Government via the Debt Management Office or invested in treasury bills for example or with other local authorities. This will cause

a reduction in the level of investment income earned, but, will protect the principal sum.

Specified Investments

Specified investments will be those that meet the criteria in the CLG Guidance, i.e. the investment:

- is sterling denominated;
- has a maximum maturity of one year;
- meets the “high credit quality” as determined by the Council or is made with the UK government or is made with a local authority in England, Wales, Scotland or Northern Ireland or a parish or community council; and
- The making of which is not defined as capital expenditure under section 25(1)(d) in SI 2003 No 3146 (i.e. the investment is not loan capital or share capital in a body corporate).

The Council defines ‘high credit quality’ organisations and securities as those having a credit rating of BBB- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds ‘high credit quality’ is defined as those having a credit rating of A- or higher

Non-specified Investments

Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares

Non-Specified Investment Limits

	Cash Limit
Total Long Term Investments	£450m
Total Investments without credit ratings or rated below A- with appropriate due diligence having been performed	£70m
Total Investments in foreign countries rated below AA+	£30m
Maximum total non-specified investments	£550m

Investment Limits

The maximum that will be lent to any one organisation in the Approved Investment Counter Party list (except the UK Government) is £20m. For other investments approved by the Section 151 Officer the amount to be invested will be determined by the Section 151 Officer, taking into account the relevant merits of the transaction such as, for example, duration and risk following due diligence work undertaken. A group of banks under the same ownership, a group of funds under the same management, brokers nominee accounts, foreign countries and industry sectors will all have limits placed on them as in the table below:

	Cash Limit
Any single organisation, except the UK Central Government	£20m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£40m
Any group of pooled funds under the same management	£50m
Any external Fund Manager	£425m
Negotiable instruments held in a brokers nominee account	£20m
Foreign countries (total per country)	£30m
Registered Providers in total	£30m
Building Societies in total (excluding overnight investments)	£40m
Loans to small businesses	£20m
Money Market Funds	£40m
Investments approved by the Section 151 Officer	Reviewed for each case

Liquidity Management

The Council maintains a cash flow spreadsheet that forecasts the Council's cash flows into the future. This is used to determine the maximum period for which funds may be prudently committed. The forecast is compiled on a pessimistic basis, with receipts under estimated and payments over estimated to minimise the risk of the Council having to borrow on unfavourable terms to meet its financial commitments.

THE MINIMUM REVENUE PROVISION STATEMENT

Introduction:

The rules for Minimum Revenue Provision (MRP) were set out in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. These rules have now been revised by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.

Authorities are required to submit to a meeting of their Council an annual statement of their policy on making MRP.

Background:

Each year the Council borrows money in order to finance some of its capital expenditure. The loans taken out for this purpose, unlike a mortgage which is repaid in part each month, are fully repayable at a future point in time. The repayment date is chosen to secure the best financial result for the Council.

The concept of Minimum Revenue Provision was introduced in 1989 to prescribe a minimum amount which must be charged to the revenue account each year in order to make provision to meet the cost of repaying that borrowing.

The detailed rules and formulae to be used in the more recent method of calculation were laid down in the Regulations mentioned in the introduction section.

This system has now been radically revised and requires an annual statement to full Council setting out the method the Council intends to adopt for the calculation of MRP.

Issues:

Under the old regulations Local Authorities were required to set aside each year, from their revenue account an amount that, in simple terms equalled approximately 4% of the amount of capital expenditure financed by borrowing. Local Authorities had no freedom to exercise any discretion over this requirement.

The amendment regulations introduce a simple duty for an authority each year to set aside an amount of MRP which it considers to be 'prudent'. The regulation does not define a 'prudent provision' but the MRP guidance makes recommendations to authorities on the interpretation of that term.

The MRP guidance document is a statutory document and authorities are obliged by section 21 of the Local Government Act 2003 to have regard to such guidance. The guidance aims to provide more flexibility and in particular for development schemes it is possible to have an MRP "holiday" for assets or infrastructure under construction.

In addition, it is accepted that where there is capital expenditure that will give rise to a capital receipts, either through the disposal of the asset or loan repayments, then

there is no need to set aside MRP on an annual basis but the capital receipt or loan repayments should be set aside on receipt for that purpose.

The operative date of the change was 31 March 2008, which means the new rules have applied since the financial year 2007/08.

The Annual MRP Statement

As stated above, Local Authorities are required to prepare an annual statement of their policy on making MRP for submission to their full Council. This mirrors the existing requirements to report to the Council on the Prudential borrowing limits and Treasury Management strategy. The aim is to give elected Members the opportunity to scrutinise the proposed use of the additional freedoms conferred under the new arrangements. The statement must be made before the start of each financial year.

The statement should indicate how it is proposed to discharge the duty to make prudent MRP in the financial year in question for the borrowing that is to take place in that financial year. If it is ever proposed to vary the terms of the original statement during any year, a revised statement should be put to Council at that time.

The guidance includes specific examples of options for making a prudent provision. The aim of this is to ensure that the provision to repay the borrowing is made over a period that bears some relation to the useful life of the assets in question or where a capital receipt will be received to repay the debt in part or in full.

Proposals

The Minimum Revenue Provision Policy Statement for 2018/19:

- In accordance with the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 the Council's policy for the calculation of MRP in 2018/19 shall be that the Council will set aside an amount each year which it deems to be prudent and appropriate, having regard to statutory requirements and relevant guidance issued by DCLG; and
- The Council will also consider the use of capital receipts to pay down any MRP incurred.

The policy will be reviewed on an annual basis.

23 January 2018	ITEM: 7
Corporate Overview and Scrutiny Committee	
Draft Capital Programme	
Wards and communities affected: All	Key Decision: Key
Report of: Sean Clark, Director of Finance and IT	
Accountable Assistant Director: n/a	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is public	

Executive Summary

This report presents the committee with the recommended additions and approach to the new capital programme for 2018/19 and subsequent years.

The council is undergoing considerable change and needs to be able to respond accordingly to service review outcomes, system requirements, operational necessities and the need to plan for those larger projects for the future as well as considering individual projects.

1 Recommendations that the Corporate Overview and Scrutiny Committee:

- 1.1 Consider the approach of general allocations as set out in section 4; and**
- 1.2 Comment on the specific proposals set out within Appendix 3 of this report.**

2 Introduction and Background

- 2.1** As part of the budget, the Council needs to set its capital programme for the following financial years. The future development of the Medium Term Financial Strategy will also need to take account future capital spending plans over the period of the strategy.
- 2.2** The following sources of funding are available to the General Fund:
 - a) Capital Receipts – these are the receipts realised from the disposal of capital assets such as land and buildings. Members will be aware that the Council reviews the asset base and there are few disposals in progress;

- b) Grants and Contributions- these could be ad hoc grants awarded from government or other funding agencies or contributions from developers and others;
 - c) Prudential Borrowing – the Council is able to increase its borrowing to finance schemes as long as they are considered affordable; and
 - d) Revenue – the Council can charge capital costs directly to the General Fund but the pressure on resources means that this is not recommended.
- 2.3 In more recent years, only Prudential Borrowing has been available to finance the majority of schemes within the capital programme with grants only being made available for specific services such as highways.
- 2.4 Annually, all services consider their future capital needs and submit bids for schemes ranging from projects in their own right to smaller schemes that are required to maintain operational ability – such as capital repairs to operational buildings and system upgrades.
- 2.5 In addition, the Council Service Review (CSR) process is identifying a number of service enhancements that will ultimately reduce costs or increase income. These will need to be funded as and when identified.
- 2.6 Finally, there are those projects that require seed funding to prepare more detailed business cases. The council agreed in February 2017 to a £2m budget provision to ensure funding is available to prepare business cases for Future and Aspirational Capital Schemes. Approximately £0.9m has been spent from the budget provision in 2017/18 It is recommended that this budget be reset at £2m again for the coming year which requires an additional funding pot of £1.1m to be added.

3 Current Programme

- 3.1 Before considering the new proposals, it is worth reflecting on the allocations that have been agreed over recent years. These are summarised in Appendix 1 but, covering the period 2017/18 through to 2020/21, total over £240m with £212m still to be spent as at 1 January 2018.
- 3.2 The major projects that are included within the current programme include:
- 3.2.1 The widening of the A13;
 - 3.2.2 Purfleet Regeneration;
 - 3.2.3 Grays' Town Centre and Underpass;
 - 3.2.4 Stanford-le-Hope Interchange;
 - 3.2.5 A new Environmental Fleet;

- 3.2.6 Improvements to parks and open spaces;
 - 3.2.7 New educational facilities;
 - 3.2.8 The HRA Transforming Homes programme;
 - 3.2.9 Highways infrastructure;
 - 3.2.10 Civic Office Enhancements; and
 - 3.2.11 Improvements to the Linford Civic Amenity Site.
- 3.3 In addition, feasibility has been carried out in developing the future and aspirational bids during recent months and an update on these is included at Appendix 2.

4 Draft Capital Proposals

- 4.1 As stated above, there have been a number of schemes that can be seen as projects in their own right. These have been included at Appendix 3 and will be known to the relevant Overview and Scrutiny Committee in one form or another.
- 4.2 Having reviewed all of the other capital requests, they fall within one of four categories and are summarised in the table below. The amounts have been calculated using the respective bid totals and would be under the responsibility of a relevant Transformation Board or Directors' Board for allocation and monitoring:

Responsible Board	Examples	2018/19 £m	2019/20 £m	2020/21 £m
Service Review	These could include new systems that create efficiencies, upgrades to facilities to increase income potential and enhancements to open spaces to reduce ongoing maintenance.	0.5	0.5	0.5
Digital	The council has been progressing steadily towards digital delivery, both with residents and amongst officers. This budget will allow for further progression as well as ensuring all current systems are maintained to current versions and provide for end of life replacement.	0.9	0.4	0.6
Property	This budget will provide for all operational buildings including the Civic Offices, libraries, depot and Collins House. It will allow for essential capital maintenance and minor enhancements.	1.2	1.0	1.0
Transformation	This budget is to provide the ability to build business cases for major projects as per paragraph 2.6. The recommendation is for an annual “top up” to bring the budget back to £2m at the start of each financial year.	1.1	2.0	2.0

4.3 In addition, the capital programme also includes the HRA, Highways and Education. These are largely funded by government grants and will be considered by their respective Overview and Scrutiny Committees and the Cabinet under separate reports.

4.4 Highways are expected to receive in the region of £1.9m per annum whilst Education are expected to receive a further £5m in 2019/20 with further allocations for free schools.

5 Issues, Options and Analysis of Options

5.1 In previous years, the recommendations to Council have also included delegations to Cabinet to agree additions to the capital programme under the following criteria:

- If additional third party resources are been secured, such as government grants and s106 agreements, for specific schemes;
- Where a scheme is identified that can be classed as ‘spend to save’ – where it will lead to cost reductions or income generation that will, as a minimum, cover the cost of borrowing; and
- For Thurrock Regeneration Ltd schemes – these actually also fall under the ‘spend to save’ criteria set out above but has not been agreed over the last couple of years.

5.2 No limits have been put on these delegations in the past but Members may want to consider whether a de minimis level should be introduced.

6 Reasons for Recommendation

6.1 The capital programme forms part of the formal budget setting in February and is an integral part of the Council’s overall approach to financial planning.

7 Consultation (including Overview and Scrutiny, if applicable)

7.1 The various capital bids put forward have all been considered by the service management teams and by the Directors’ Board. Some projects will have also been reported separately to the relevant Overview and Scrutiny Committee.

8 Impact on corporate policies, priorities, performance and community impact

8.1 Capital budgets provide the finance to meet the Corporate Priorities. If a capital project was not to proceed, this may impact, positively or negatively, on the delivery of these priorities and performance with a corresponding impact on the community.

9 Implications

9.1 Financial

Implications verified by: **Jonathan Wilson**
Chief Accountant

The financial implications have been set out throughout the body of the report. The financial impact of the borrowing decisions has been accounted for within the MTFS.

9.2 Legal

Implications verified by: **David Lawson**
Assistant Director of Law and Governance & Monitoring Officer

Local authorities are under an explicit duty to ensure that their financial management is adequate and effective and that they have a sound system of

internal control and management of financial risk. This budget report contributes to that requirement although specific legal advice may be required on each projects business case.

9.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Diversity and Equalities Officer

All local authorities are required to have due regard to their duties under the Equality Act 2010. The capital programme is assessed at keys stages to ensure the impact of each scheme is measured in a propionate and appropriate way to ensure this duty is met and the needs of different protected characteristics are considered.

10 Appendices To This Report:

- Appendix 1 – Current Programme Summary
- Appendix 2 – Update on Future and Aspirational Projects
- Appendix 3 - New Capital Projects.

Report Author Contact Details:

Sean Clark
Director of Finance and IT

Summary of Existing Programme

Directorate ID	Total Budget 2017/18	2017/18 Spend (at 31/12/17)	Remaining Budget to be spent from 1/1/18	Total Budget 2018/19	Total Budget 2019/20	Total Budget 2020/21
Education	5,453,733	1,255,058	4,198,675	15,167,189		-
Adults	15,672,957	10,136,657	5,536,300	29,730,622	2,411,817	-
Environment & Highways	19,820,439	5,422,784	14,397,655	5,478,857	681,000	-
Place	26,844,981	11,320,240	15,524,741	77,471,919	27,942,000	-
General Allocations						
Service Review	180,000	11,864	168,136	-	-	-
Digital	5,674,923	1,373,863	4,301,060	1,381,721	40,000	40,000
Property	1,442,494	515,991	926,503	5,392,483	446,000	-
Transformation	1,500,000	110,995	1,389,005	-	-	-
Total	76,589,527	30,147,452	41,779,480	134,622,791	35,815,531	40,000
				212,257,802		

Update on Future and Aspirational Projects

<p>Grangewaters – a Commercial Operation To explore a building conference/training centre, moving the facility into a more commercial based operation and provides income generation opportunities for the whole year. This scheme meets the need to create a great place for learning and opportunity; and Improve health and well-being Council priorities. Subject to completion of the Aspire programme.</p>	<p>We have requested a small level of funding to place another training lodge on the site to ensure that we are supporting the requests we are receiving from HR/OD re training spaces – this links to our commercial principles around building a business within a business and utilising smaller based units in the interim period.</p>
<p>Alternative Theatre Provision Construction of a new Theatre and multi-functional performance spaces in Grays. This is subject to further feasibility work on theatre options including consideration of potential providers being undertaken by consultants in the context of the Grays masterplan. This scheme meets all of the Council's priorities.</p>	<p>This is being considered as part of the Thameside Redevelopment project whereby part of the Thameside Centre will be retained as a cultural hub. Detailed feasibility work is now being undertaken.</p>
<p>Collins House Expansion Develop an additional 3 storey wing for Collins House containing 30 single ensuite bedrooms, to help manage growing demand. This will meet the Improve Health and well-being to ensure people stay healthier longer, adding years to life Council priority.</p> <p>Older Persons Shared Ownership Units Shared Ownership units, for older people on the former Whiteacre and Dilkeswood site. In addition a further 46 general needs units could also be developed. This will meet the Improve Health and well-being to ensure people stay healthier longer, adding years to life and life to years Council priority. (Government Grant Funded and Capital Receipts)</p>	<p>Now called '21st Century Residential Care'. We will need to come back with the Business Case and costs in 2018.</p> <p>We will be bringing back a Business Case for an Integrated Housing, residential and primary care Business Case for the whole project some time in 2018.</p>

Update on Future and Aspirational Projects

<p>Housing Estate Regeneration To consider the outcome of work on the business case for regenerating the Council's housing estates, being done in conjunction with the Department for Communities and Local Government and Local Partnerships. The work will be presented to Cabinet later this year for decision and implementation. The project meets the building pride, responsibility and respect to create safer communities; encouraging and promoting job creation and economic prosperity; and Improving health and well-being Council priorities.</p>	<p>Local Partnerships have been replaced as lead advisor by Savills with a target to produce a draft business case by Jan 18. Strategic objectives remain around transformation of place, housing delivery, infrastructure and existing communities. Current focus is to finalise and seek member support estate prioritisation, impact analysis on the HRA and addressing viability. DCLG are engaged and supportive.</p>
<p>Tilbury Integrated Healthy Living Centre Development of Tilbury Integrated Health Living Centre, in collaboration with Thurrock Clinical Commissioning Group, Community Health Partnerships and other key stakeholders as one of four hubs across the borough. This is subject to a business case being agreed with health partners. This project meets all of the Council's priorities.</p>	<p>We committed an initial £75k to appoint Currie and Brown (50/50 with the CCG) to undertake the health planning, legal and financial assessments. Following the procurement Pick/Everard have been appointed as our design team - commitment £700k. Outline business case being prepared and work to identify and appoint a head leaseholder underway. Cabinet report anticipated in 2018.</p>
<p>A Digitally "Smart" Borough Deliver an enabling municipal infrastructure that will underpin Thurrock's development as a "Smart Place". (Part Government Grant Funded) We are looking at a number of smart place opportunities that can be commercialised. To support a smart place it is anticipated that we will need infrastructure to support borough wide sensor, camera and data networks. It is anticipated that commercial revenue streams will come from providing partners and customers access to these networks (including ultrafast broadband fibre) and selling data from them (traffic flows, pollution etc.) It is expected that there will also be some cost avoidance as we</p>	<p>We have developed an outline business case with consultants to deliver a dark fibre based municipal network connecting public sector sites across Thurrock. This is now ready to move to a project definition stage, which will be used as the basis of a bid submission to DDCMs for grant funding as part of the Local Full Fibre Network initiative, as well as the mechanism for formalising the internal capital requirement. Based on soft market testing we expect to require £5m as for the dark fibre network, of which we will be seeking to cover 50% through grant funding. In addition we have identified that the municipal network will require a significant data centre presence. We already have</p>

Update on Future and Aspirational Projects

<p>are looking to move our corporate Wide Area Network onto this infrastructure.</p> <p>Finally there will be indirect benefits – developing a strong local digital offer will accelerate local regeneration and associated tax incomes, and the information from the networks will assist in the avoidance of front line service costs. Examples are social care (smart assisted living), public health (pollution control for chronic lung issues) and litter/flytipping prevention (improved CCTV/surveillance capability).</p> <p>We are still exploring options, but we expect benefits to be related on the amount of investment we are prepared to make. The proposal supports all council priorities.</p>	<p>capital funding in place to refurbish and upgrade the existing Civic Offices datacentre, but these investigations suggest that a larger stand alone facility might be a better option. This may require additional funding of £1.5m but will generate income streams – the business case is currently being prepared. We have an expression of interest from a major public sector organisation in Essex.</p> <p>Finally, we have completed some initial feasibility around providing a low powered WAN infrastructure to support an Internet of Things eco-system in Thurrock. We have had significant interest from potential partner organisations. We are currently hoping to secure a significant percentage of external funding to deliver this.</p> <p>Potential tie in with “21st Century Residential Care” initiative for assistive technology elements, and also the Intelligent Transport Strategy.</p>
<p>Use of Technology in Customer Services</p> <p>Explore the introduction of innovative technology (such as Artificial Intelligence sometimes known as ChatBots) into the customer service contact centre. We are already looking to change the focus of our customer service offer as part of the emerging Customer Service Strategy and channel shift, enabling residents to self-serve as much as possible and make it easier to interact with the council outside of normal working hours. There is an opportunity to exploit the use of digital technology further to eliminate the need for introducing expensive on-call / shift rotas. ChatBots are just one idea to help drive efficiencies and provide a better customer experience. A detailed review of what other councils and organisations are using/moving too and feasibility study would be required to identify the most appropriate opportunities and solutions for Thurrock.</p>	<p>The concept of chat-bots in the contact centre was not in favour by the PFH. It may be something we can re-submit as the technology becomes more mature.</p>

Update on Future and Aspirational Projects

<p>High House Artist Studios High House Works (Artist Studios II), providing an additional 10,000 sqft of creative workspace to support micro and small and medium sized enterprises (SMEs) from the creative industries sector on the production park. This scheme will meet the encourage and promote job creation and economic prosperity priority.</p>	<p>High House Works is a proposed joint venture with ACME – the charity who run the first Artists Studios building at HHPP. The scheme would depend on Council Capital Funding together with external funds from the Arts Council England Capital Fund. The Arts Council are reviewing capital funding opportunities and guidance on their new capital programme, together with a first bidding round, is anticipated in 2018.</p>
<p>New Commercial Space at Thurrock Parkway Creation of industrial units at Thurrock Parkway, offering industrial, warehouse and office accommodation. Initial projection indicate net proceeds of between 2% and 5% depending upon method of financing, plus an increase to the business rates. This project meets the encourage and promote job creation and economic prosperity priority.</p>	<p>An initial feasibility study conducted by Richard Hopkins Architects has been completed and shows potential to create approximately 15,000 sqm of new business space in units of various sizes. The initial work suggested the development would be viable however, given ground conditions in Tilbury, the next stage will be to appoint a professional team for further design work and to carry out surveys and refine cost estimate. Further advice on demand in the area will also be commissioned. Approval for funding to carry out the next works has been sought.</p>
<p>New Commercial Space at Milehams Industrial Estate Potential redevelopment of Milehams Industrial Estate to include a range of industrial, warehouse and office accommodation. Initial projections indicate net proceeds of between 1.25% and 5.25%, depending upon the method of financing. This project meets the encourage and promote job creation and economic prosperity priority.</p>	<p>Review of land ownership shows that the Council only owns a proportion of the site. There are flooding and other issues associated with any development. Initial work suggests a development may not be viable but further work is required.</p>
<p>Blackshots Enhancements Options at Blackshots to improve facilities and customer experience, such as the replacement of the roundhouse pavilion and improvements to the car park, to be considered as part of the implementation of the Active Places Strategy and subject to business planning.</p>	<p>Feasibility work into the replacement of the roundhouse pavilion and the adjacent nursery building has commenced. Condition survey of the nursery building is to be commissioned. This will then inform the accommodation schedule of the replacement Pavilion.</p>

Update on Future and Aspirational Projects

<p>Career & Development Portal Creation of a career & development portal - a web based careers portal that would help strengthen our links and our role with community and businesses. Links to service review and selling services. Released on evidence of a costed business case – Income Generation</p>	<p>This overlapped with an ongoing project that the Economic and Regeneration Team were working on. There was no further need for a separate proposal.</p>
<p>Gap Analysis / Online Testing Tool Organisational Development (OD) skills gap analysis / online testing tool to identify strengths and weaknesses of potential new job candidates and existing staff. This is linked to the service review and to the delivery of the staff survey action plan. There are generic skills needed by the workforce and we need to be able to identify these digitally, embedded in induction and delivered through development plans. Released on evidence of a costed business case.</p>	<p>Not taken forward due to developments with Vacancy Filler testing candidates ability. This will be further developed with the introduction of Oracle Cloud.</p>
<p>Demolition Programme Demolition of 4 buildings, Unit 1 Curzon drive, Unit E Dock Road, Unit 1 Hume Avenue to enable site assembly and allow sites to be leased creating an income stream.</p>	<p>Unit 1 Curzon Drive, demolished 30/06/17 – Advertised at a rental of £15,000 per annum. Application received for a use of car sales. Application in progress awaiting bank and trade references to return. Unit E Dock Road, demolished 10/05/17 – Advertised at a rental of £9,000. Application received for a use as storage of and use as skip hire. Application in progress -awaiting return of references. Unit I Hume Avenue, Demolished 26/04/17 – Fully let from date of demolition completion (26/04/17) at a rental of £15,000</p>

Update on Future and Aspirational Projects

	per annum
<p>Tilbury Community Led Local Development Fund (CLLD) CLLD funding; including new cycling hub facility and shop front improvements in Tilbury. This will enable the Council to draw down capital match funding through the CLLD programme (once approved) and link with the successful Department for Transport Access Fund which will meet on-going revenue costs.</p>	<p>The cycle hub was deemed ineligible for ERDF funding within the CLLD programme, however work continues under DfT funding. CLLD bid will (if approved) include a shop-front and small business improvement scheme. Awaiting decision from DWP and DCLG – current queries regarding VfM are being addressed – though the Tilbury programme benchmarks as similar VfM and outputs to comparable ESIF-funded programmes in Essex</p>
<p>Public Realm Branding Review all signage and public realm where the Thurrock brand is or could be used as part of developing the overall profile of, and pride in, the place in line with the emerging communications and brand strategy. This would require an understanding of the volume of assets such as street and building signage and the capital costs of replacement as well as opportunities for potential sponsorship as an alternative.</p>	<p>Capital funding of approximately £40k has been agreed to complete a site visit of all locations and identify on a map all signs for villages, towns and borough entry signs. This work will also identify the type and design of signage to be used at each site with 4/5 designs agreed. A schedule will also be drawn up with a view to replacing all signage by end of March 2018.</p> <p>The work will be used to cost the replacement of all the signage which would be a further, more substantial capital bid to cover the signage, supply and installation. This initial stage is expected to start at the end of October and be completed by end of December 2017 with a view to identifying the costs and commencing work from January 2018.</p> <p>Advice has been sought on sponsorship with the providers of the council's roundabout sponsorship scheme, Marketing Force. They do not believe the market is there for the costs to be covered by sponsorship, hence the progressing with the work above.</p>

Update on Future and Aspirational Projects

<p>Energy Efficiency Investigate the viability of solar panel installation to reduce the cost of utilities on Thurrock Council sites.</p>	<p>The roof on CO1 can accommodate a 60kW array but this needs to be factored into the future of the CO1 building. CO2 roof is considered too lightweight and defects have been noted. Consideration was given to a lease-back funding option which required zero capital investment, but this became unviable when the FIT's were reduced. However, since then the costs of PV panels has dropped and it is now be an option that is being reconsidered.</p> <p>However, consideration is now being given to reducing utility costs through a "fabric first" approach. In other words, it may be more effective to undertake remedial works to buildings rather than introduce renewals. Housing have already carried out a study in this regard, and this is currently being reviewed.</p>
<p>Industrial Estates in Housing Areas To look at options to relocate businesses from industrial sites located alongside housing areas (Towers Road, Grays & Stanhope Industrial Estate, SLH) which could then be reused for housing supply.</p>	<p>The 3Rs project is currently reviewing all properties owned by the Council to determine their future use. This strand will be picked up as part of this review process.</p>
<p>Compactor Litter Bins Installation of 20 Big Belly compactor litter bins in various locations throughout the borough, generating a saving of not emptying half empty bins. Decision will be based on a trial in three locations.</p>	<p>Ten big belly bins have been installed as a pilot. Monitoring is currently taking place to measure efficiency etc. Pilot is due to conclude in March 2018. Early indications are that they work very effectively but locations may need to be reviewed to gain maximum benefit.</p>
<p>Fraud Modelling Tool Predicated fraud modelling using Xantura's analytical data modelling software which relates to Revenue and Benefits and is comprised of real time fraud checks.</p>	<p>Withdraw from this list. Consider alongside any ADM discussions.</p>

Update on Future and Aspirational Projects

<p>The government published in December 2016 that the latest estimate of fraud in Housing Benefits stands at 1.1%. Thurrock Council pays out circa £70m per annum and, if the estimate is correct, this includes £770k in fraudulent payments. It is impossible to say how much of this would be identified and saved through this software but, as an example, 5% equates to £38.5k paying back the investment in less than three years or 10% at £77k repaying the investment in 1.5 years.</p>	
<p>Aveley Community Facility Aveley community facility phase 2 - inclusion of nursery accommodation to be leased out to an independent operator, providing revenue to the Council. Phase 1 is already included in the current capital programme. The scheme will create a great place for learning and opportunity, encourage and promote job creation and economic prosperity and build pride and respect to create safer communities. This is subject to the completion of a business case to justify phase 2 and the outcome of the review of libraries across the Borough, which will take account of the strategic approach to community hubs.</p>	<p>Aveley Hub - we drew down a small amount from the aspirational fund for the Aveley Business Case (under £20k). Will be funded from S106 funds and the Hub Capital Programme. Proposals to complete final design and procure a contractor are going to December Cabinet for approval.</p>
<p>Linford Civic Amenity Site To explore a second phase of capital works to create facilities for trade waste as an income generating opportunity.</p>	<p>Being considered by Cabinet in December</p>
<p>LCS Enhancements – (Children’s Social Care Database) Aim - To address data quality issues in the social care system for children’s services – LCS. Not all teams use the LCS system. There is no formal training provided to social workers in the use of LCS. Legacy of agency and high staff turnover in social care leading to poor recording practice</p>	<p>The Task and Finish Group have delivered the following outputs:</p> <ol style="list-style-type: none"> 1. Recruited a data cleansing resource. Identified all records that need to be cleansed and agreed a plan where all social workers will book slots with data cleaning resource to address any data quality issues 2. Liquid Logic have been booked in to meet with all

Update on Future and Aspirational Projects

DCS has set up a Task & Finish group to address the above.

Resources required:

- Data cleanser: rectify all historical records £40k (one-off)
- Audit of LCS by supplier: highlight issues and move teams across to LCS £25k (one-off)
- Training resource: recruit a trainer to ensure all new staff are trained on use of LCS £66k ongoing

Above will ensure we meet our statutory reporting requirements and deliver a safe service.

social care managers before the audit is conducted and focus on teams not using LCS and maintain manual systems

3. JDs for training resource have been sent for job evaluation
4. Liquid Logic have delivered training to nominated leads from each team in the use of LCS, with a follow up session scheduled for 20th December
5. Training manuals have been loaded into Objective for all social care staff to access

Key date is the 31st March 2018, which is the cut off for the statutory reporting. The data is used to baseline Thurrock position against other areas and also by Ofsted before inspections are conducted.

NEW CAPITAL BIDS

Directorate	Scheme	Category	2018/19 £000	2019/20 £000	2020/21 £000
Environment	<p>Replacement of bus passenger shelters.</p> <p>The current Clear Channel agreement for Passenger Shelters and associated advertising is reaching end of life. The industry has moved on significantly from the original contract and there is no longer the industry appetite for providing capital funding as part of a commercial agreement. More importantly, this also highlighted the strong shift away from traditional paper and paste solutions towards a paper and digital media hybrid approach. With a clear focus on advertising income generation aspects; and the expectation that Council provide capital funding requirements directly to purchase the physical assets.</p> <p>The expectation would be that the income generation from the advertising on these locations would cover the hardware capitalisation costs, plus the revenue costs for the maintenance and cleaning of the locations.</p>	Enhancement / Improvement	-	1,262	-

NEW CAPITAL BIDS

Directorate	Scheme	Category	2018/19 £000	2019/20 £000	2020/21 £000
Environment	<p>Purchase and installation of replacement litter bins as identified through the Public Bin review. The report outlining the review was agreed at October's CGS O&S.</p> <p>Circa 600 public bins will require changing, a mixture of dual purpose litter bins for general waste and dog fouling (approx. 500 - £250k) and general waste and recycling (approx. 50 - £50k) as well as big belly bins (approx. 50 - £275K), a contingency of £25k in relation to procurement and additional requirements when rolling out</p>	Improvement / Enhancements	600	-	-
Environment	<p>Upgrades to the drainage system, gully frames and lids.</p> <p>Severe flooding events affect residents, businesses, all road users and lead to damage of the fabric of the highway if prolonged. 14 Areas of Critical Drainage have been identified in the Council's Local Flood Risk Management Strategy as being either at the highest risk of flooding or have a significant history of flooding incidents.</p> <p>The investment would bring the added benefit of providing more accurate information for the drainage asset register, which would further assist with the streamlining of routine gully cleansing which is a requirement from the DfT for band 3 Authorities under the HMEP criteria.</p>	Enhancement / Improvement	120	100	80

NEW CAPITAL BIDS

Directorate	Scheme	Category	2018/19 £000	2019/20 £000	2020/21 £000
Environment	Enhancements to War Memorials in preparation to mark the 100 th Anniversary of the armistice in 2018.	Enhancement / Improvement	150	-	-
Adults, Housing and Health	Development of a new 21st Century residential care facility for up to 75 users of adult and social care and health services on the Whiteacre and Dilkes Wood sites in South Ockendon	Enhancement / Improvement	2,640	5,360	-
Place	The Council is progressing a separately funded project to build an Integrated Medical Centre (IMC) on Civic Square, Tilbury. This IMC will be funded by the Council and then leased to a third party which will enable delivery of health and community services. The agreed Vision for Tilbury anticipates the Civic Square being revitalised to better fulfil its role as the heart of Tilbury. The IMC will be a catalyst for this but without further investment in the neighbouring environment, including landscaping, improved and consistent public realm furniture and lighting, higher quality design of building frontages, and a better range and mix of ground floor uses around the square. Without enhancements the IMC will be surrounded by poor quality public realm which will hinder its ability to kickstart the regeneration of the area.	Improvement / Enhancements	-	450	1,050

NEW CAPITAL BIDS

Directorate	Scheme	Category	2018/19 £000	2019/20 £000	2020/21 £000
	This capital bid therefore requests funding to implement these and other measures to create a high quality public square surrounding the IMC. The Council owns further property on the western edge of the Square which will benefit from the enhanced values brought about by these environmental enhancements and significantly improve the perceptions of the Civic Square as a place to visit and potentially invest.				
Adults, Housing and Health	The rebuilding of East Tilbury Library. Costs will be subject to structural survey and subsequent negotiations with insurers.	Essential Operational Requirement	1,080	-	-

23 January 2018	ITEM: 8
Corporate Overview and Scrutiny Committee	
Medium Term Financial Strategy And Draft Budget Update	
Wards and communities affected: All	Key Decision: Key
Report of: Sean Clark, Director of Finance and IT	
Accountable Assistant Director: n/a	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is public	

Executive Summary

This report presents the latest version of the Medium Term Financial Strategy (MTFS) (appendix 1) year to year and sets out the changes since the last published version considered by Cabinet on 11 October 2017.

At that meeting, Cabinet agreed to endorse an investment approach to close the budget gaps in the MTFS where possible and this was further supported by Full Council on 25 October 2017. This report sets out the progress made in progressing that direction of travel.

In addition to the savings proposals that were set out in the report to Council in February 2017 which covered the period 2017/18 to 2020/21, Service/Transformation Review proposals continue to be developed and progress to date is summarised in the body of this report at paragraph 3.2. No further savings or efficiencies are being proposed at this time due to the success of the investment approach which has delivered a balanced budget over the 2 year period 2018/19 and 2019/20.

The proposals have been through a Transformation Board challenge and refined to reflect deliverability based on current knowledge and progress against 2017/18 targets. The allocation to services are set out in appendix 2 so as to inform Members of overall changes to Directorate budgets. These are draft and will be updated in future reports as allocations are refined.

The draft Local Government Settlement was announced on 19 December 2017. Whilst the grant settlement for Thurrock Council is broadly as forecast previously within the MTFS, the cap on increasing the non-Adult Social Care element of the council tax has been increased by 1% to 2.99%. This report sets out the potential financial impact of this announcement and the committee is asked to comment on

council tax increases for 2018/19, making a recommendation to Cabinet at its meeting on 7 February 2018.

In addition, this report sets out the impact of changes to the Minimum Revenue Provision (MRP) that have been agreed with the external auditors.

The Council has a statutory requirement to set a balanced budget annually and to review its adequacy of reserves. This report sets out a balanced budget for 2018/19, an increased General Fund Balance of £11m, an increase of £3m or 37.5% since 2015/16 and an additional reserve to support the Council in reducing the net budget over the medium term.

1 Recommendations

1.1 That the Corporate Overview and Scrutiny Committee consider the options around the level of council tax increase; and

1.2 That the Corporate Overview and Scrutiny Committee comment on the draft budget as set out within this report to inform final budget proposals at Cabinet on 7 February 2018.

2 Introduction and Background

2.1 All Members are aware of the financial pressures that local authorities have experienced in previous years and that all face a challenge to become financially self-sustainable.

2.2 The MTFS previously presented to the committee showed pressures of £20.8m between 2018/19 and 2020/21 that, after CSR identified deliverable savings, reduced to a net three year pressure of £14.9m. The assumptions have now been updated to reflect current information, including the impact of investment decisions. Key changes include:

- a) Improved forecasts for investments;
- b) Assumed income from a second Thurrock Regeneration Ltd scheme;
- c) A reduction in the proposed transformation savings in 2018/19 after reviewing implementation timescales; and
- d) A reduction in the prudential borrowing impact of financing the new environment fleet set out in section 4.

2.3 Council tax assumptions included within the MTFS include:

- a) A 3% Adult Social Care precept in 2018/19 that is fully passed onto the service; and
- b) A 1.99% general council tax increase in each of the three years 2018/19 – 2020/21.

- 2.4 The draft Local Government Finance Settlement was announced on 19 December 2017. Key points to note include:
- a) That there are no changes to core grant and business rates assumptions from that previously reported;
 - b) That the council is still waiting on notification of the Education Support and Housing Benefit Administration Grants. These currently total some £1.25m and a 25% reduction has already been assumed; and
 - c) That the general council tax increase allowed before a referendum is required has been increased to 2.99% for each of the next two years, 2018/19 and 2019/20.
- 2.5 Whilst this report sets out a balanced budget for the next two years, Members need to consider the fact that there is still a significant budget gap in year three and for the following years. It is important to build a sustainable income base for the future from both ongoing investments and the council tax base.
- 2.6 Thurrock Council still has the third lowest council tax amongst all Unitary Authorities and, subsequently, the third lowest budget spend on services for local residents. Increasing the council tax base is an important element of long term financial sustainability and spending power figures published by government assumes the full increases of 2.99% over the next 2 years.
- 2.7 Whilst it is acknowledged that any increase in household bills/council tax is difficult for residents, the impact of an additional 1% to a 2.99% increase is as follows:
- a) The council would raise an additional £620k per annum, an additional £1.25m if the maximum increase was supported for each of the next two years; and
 - b) These amounts would add to the surplus position set out in section 3 and be available for one off expenditure; and
- 2.8 The table below sets out the average impact on a household in each band when considering the various discounts and support already in place:

Band	Band Charge	Properties		Average Charge	Average 1% Increase p.a.
		No.	%		
A	£968	7,423	11.0	£569	£6
B	£1,130	13,402	19.93	£840	£8
C	£1,291	26,679	39.67	£1,083	£11
D	£1,453	12,105	18.00	£1,297	£13
E	£1,776	4,589	6.82	£1,642	£16
F	£2,098	2,210	3.29	£2,008	£20
G	£2,421	802	1.19	£2,279	£23
H	£2,905	42	0.06	£2,702	£27
TOTALS		67,252	100.00	£1,100	£11

- 2.9 For over 70% of residents, the additional 1% increase in council tax equates to a maximum of 25 pence per week but averages out, after discounts, to between 11 pence and 21 pence.
- 2.10 The MTFS already assumes an increase of 4.99% (3% of which is for Adult Social Care, 1.99% General Fund) as widely supported by the Overview and Scrutiny Committee, Cabinet and Council in 2017. The committee is asked to consider an increase of an additional 1% to 5.99% when considering the need to build a sustainable income stream into the medium term and considering a forecast deficit of circa £4m in year three of the MTFS.
- 2.11 After the endorsement of the Independent Finance Peer Review in June 2017, the council continued with the Council Spending Review (CSR) approach that concentrates on meeting the budget pressures through:
- a) Increased income – this can be through fees and charges, the trading of core services and investments from the treasury or property function;
 - b) More or same for less – focussing on better value from contracts and wider procurement, reducing spend on agency staff and more efficient processes; and
 - c) Reducing the growth pressures in demand led services – such as concentrating on early intervention.
- 2.12 This is underpinned by a detailed review of all services and is delivered through a number of officer Boards that ultimately brings proposals through the CSR to Overview and Scrutiny Committees and Cabinet.
- 2.13 Before considering future years it is important to recognise any impacts from the current year. Cabinet have received two update reports in recent months with the most recent report on 13 December 2017 setting out net pressures of £0.475m for the current financial year. Main areas of concern are within both Children’s and Environment and Highways Services. To recognise this, £2.5m has been included within the MTFS as growth to meet any ongoing pressures.

3 Draft 2018/19 Budget and Future Forecasts

- 3.1 The MTFS attached at Appendix 1 sets out net pressures before investments of £16.2m. This figure assumes a number of savings from the Transformation Boards that were, in the main, identified during 2016/17 and included within the MTFS presented to Council in February 2017.
- 3.2 In addition, cross cutting service reviews are focused on four key areas for 2018/19 resulting in an target income growth/operating cost saving of £930k:

Service Area	Target Income Growth/Operating Cost Saving
ICT	£170k
Transport	} } } £760k across these three service areas }
Children's Social Care	
Business Resource	

3.3 Following the Council meeting on 25 October 2017, officers have been actively following a number of investment opportunities that have not only significantly contributed to an improved 2018/19 budget position but also realised unbudgeted income in 2017/18 as a one-off.

3.4 Along with income from a second Thurrock Regeneration Ltd (TRL) scheme, the summarised budget position for the medium term now stands at:

	2018/19 £m	2019/20 £m	2020/21 £m
MTFS Budget Pressures	5.90	6.21	4.13
Surplus Brought Forward		(2.49)	(0.03)
Known Investments	(7.85)	(3.70)	-
Thurrock Regeneration Ltd	(0.54)	(0.05)	(0.01)
Total	(2.49)	(0.03)	4.09

3.5 As can be seen, supporting an investment approach to accompany the CSR approach has delivered a surplus budget for 2018/19 and 2019/20.

3.6 Points to note:

- The budget surplus in 2018/19 should only be used for one off expenditure and/or as a contribution to reserves. By not committing this surplus to ongoing expenditure the surplus carries forward to 2019/20 and provides a second year balanced budget;
- As previously reported, investments should be a balanced portfolio of cash (loan type) investments and property related. Although the former are sound investments, they are generally short in life and so should complement property related investments that deliver a longer term income streams. Without this, the council is simply storing up future

budget pressures as short term investments reach their conclusion;
and

- Income relating to Thurrock Regeneration Ltd (TRL) currently reflects just one additional scheme. The delivery of more TRL schemes would improve the council's financial MTFS position further.

- 3.7 This balanced investment approach is required to make further headway into 2020/21 and beyond to ensure the progress made towards financial self-sustainability as an authority is maintained and built on.
- 3.8 In addition to the forecast surplus in 2018/19, the investments will deliver unbudgeted income in the current financial year 2017/18 estimated at circa £2m. Again, this can be allocated to one off expenditure and/or a contribution to reserves.
- 3.9 Budget savings are summarised in Appendix 2 and draft allocations are set out in Appendix 3. The Committee should note that these have been updated from those considered by Cabinet due to the draft allocation of the various growth provisions.

4 Minimum Revenue Provision

- 4.1 Members will be aware that officers have identified ways of reducing the annual Minimum Revenue Provision (MRP) budget requirements in recent years.
- 4.2 In recent months, officers have been working on further re-profiling of the MRP requirements that will allow a one off transfer from the council's unusable reserves. This has recently been agreed with the council's external auditors but the transfer can only be used to support the council's financial sustainability objective.
- 4.3 The sum agreed with the auditors is £13m with the allocation agreed as follows:

Allocated to:	£m
General Fund Balance – the Administration made increasing the General Fund Balance a priority – this will increase the balance from £8m to £11m as at 31 March 2018	3.0
Pay for the new Environment Fleet expenditure in 2017/18 outright instead of through Prudential Borrowing. This reduces ongoing expenditure by circa £0.8m and has been reflected in the attached MTFS	7.5
Earmarked Reserves to meet implementation of Service Review findings and to support further Transformation Projects	2.5
	13.0

5 Issues, Options and Analysis of Options

- 5.1 This report sets out the changes to the current year budget that are proposed for 2018/19. Due to the adoption of an investment approach, the impact on services is limited compared to previous years and allows for significant growth within the Adult's, Children's and Environmental services.
- 5.2 Council tax increases are recommended and, indeed, required to continue towards financial self-sustainability by 2020. The ability to increase the core council tax element by 2.99% is welcomed and would go some way towards achieving financial sustainability in the medium to long term.
- 5.3 The report also sets out surpluses in both the current financial year and 2018/19. Cabinet are asked to consider how these balances should be utilised. It is recommended that they only be used for one off expenditure and/or a contribution as any commitment to ongoing expenditure will increase the budget deficits in future years as the budgets become a core requirement.

6 Reasons for Recommendation

- 6.1 The Council has a statutory requirement to set a balanced budget annually and to review its adequacy of reserves. This report sets out a balanced budget for 2018/19, an increase to £11m for the General Fund Balance and an additional reserve to support the Council in reducing the net budget over the medium term.

7 Consultation (including Overview and Scrutiny, if applicable)

- 7.1 The budget planning governance structure includes involvement and consultation with officers, Portfolio Holders and Members. The process includes the Council Spending Review Panel, made up of cross-party Group Leaders and Deputies who meet regularly during the budget planning period and ahead of key decision points.
- 7.2 Comments regarding the draft budget by the Corporate Overview and Scrutiny Committee will be reported to Cabinet in February ahead of the Full Council meeting.

8 Impact on corporate policies, priorities, performance and community impact

- 8.1 The implementation of previous savings proposals has already reduced service delivery levels and our ability to meet statutory requirements, impacting on the community and staff. There is a risk that some agreed savings 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.

- 8.2 There are increases to both the Adults' and Children's budgets and the MTFs also provides additional funding for the Environment Service to meet current pressures and those expected in the future as contracts are renewed.

9 Implications

9.1 Financial

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

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports will 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.

This draft budget report sets out a balanced budget for 2018/19 and identifies funding to be used for one off expenditure for the council's priorities.

The ability to increase council tax by 2.99% needs to be carefully considered and should be discussed at both the Corporate Overview and Scrutiny Committee and Cabinet to inform the Council budget setting meeting.

In addition, the report sets out an increase to the General Fund Balance of £3m to £11m and sets aside funding to facilitate additional work towards achieving financial self-sustainability.

9.2 Legal

Implications verified by: **David Lawson**
Assistant Director of Law and Governance & Monitoring Officer

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.

9.3 Diversity and Equality

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

There are no specific diversity and equalities implications as part of this report. A comprehensive Community and Equality Impact Assessment (CEIA) will be completed for any specific savings proposals developed and informed by consultation outcomes to feed into final decision making. The cumulative impact will also be closely monitored and reported to Members.

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

Any other significant implications will be identified in any individual savings proposal business case to inform the consultation process where applicable and final decision making.

10 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):

- Budget working papers held in Corporate Finance
- Budget Review Panel papers held in Strategy and Communications

11 Appendices to the report

- Appendix 1 – Medium Term Financial Strategy
- Appendix 2 – Summary of CSR Savings
- Appendix 3 – Draft allocation of growth and savings to services

Report Authors:

Sean Clark

Director of Finance and IT

MEDIUM TERM FINANCIAL STRATEGY

Narrative	2018/19	2019/20	2020/21
	£000	£000	£000
Local Funding			
Council Tax Base / Charge	(1,898)	(1,966)	(2,025)
Council Tax Social Care Precept	(1,869)	0	0
Council Tax Collection Fund Surplus	558	0	0
	(3,209)	(1,966)	(2,025)
Business Rates Growth	(933)	(378)	(658)
Business Rates - Collection Fund Deficit	(1,773)	0	0
	(2,706)	(378)	(658)
Total Government Resources			
Revenue Support Grant	3,962	4,000	658
Transfer to funding formula under 100% retention	0	0	0
New Homes Bonus	673	122	0
Other Central Grants - ESG & HB and Ctax Admin Subsidy	375	300	300
	5,010	4,422	958
Net Additional (Reduction) in resources	(904)	2,079	(1,726)
Inflation and other general increases			
Pay award at 2%, Increments and legislative changes	2,181	2,098	2,098
Waste contract inflation	403	371	389
Non Contract Inflation - Utilities and Fuel and Oil	100	100	100
Levy adjustment	45	54	0
	2,729	2,623	2,587
Demographic, Economic and Capital Growth:			
Adult Social Care Demand linked to ASC precept	1,869	0	0
Contingency to Meet Growth Pressures	4,802	3,740	2,500
	6,671	3,740	4,164
Services Design Principals and Strategic Boards			
Procurement Total	(70)	(105)	0
Commercial Total	(572)	(371)	(100)
Customer & Demand Management Total	(100)	0	0
Digital Total	(147)	(130)	0
People Total	(500)	(500)	0
Property Total	(275)	(200)	0
Service Reviews	(930)	(920)	(800)
	(2,594)	(2,226)	(900)
Total Savings to Identify	5,902	6,215	4,126
C/f Position		(2,488)	(26)
Cash Investments	0	0	0
Thurrock regeneration ltd loan arrangements - Belmont Only	(540)	(53)	(14)
Other known property related investments	0	0	0
Known Investments	(7,850)	(3,700)	0
	(8,390)	(3,753)	(14)
Working Totals	(2,488)	(26)	4,086

SAVINGS BY CSR BOARD

Board	Proposal	2018/19	2019/20	2020/21
Procurement	Savings to be delivered through effective procurement and contract management	70	105	-
Commercial	Further income through the expansion and development of traded services	302	271	-
Commercial	Growth in fees and charges income reflecting 17/18 forecasts and review of fees and charges, mainly through volume increases as a direct result of service areas understanding and acting upon market and competitor information	270	100	100
Customer & Demand Management	Customer Services Strategy	100	-	-
ICT / Digital	Citizen Journeys - "Enabling citizens and customers to do business with the council digitally"	37	90	-
ICT / Digital	Legacy Application Rationalisation and Unified Comms	110	40	-
People	Savings to be delivered through ongoing review of employee related costs including reducing use of high cost agency staff, effective attendance management and reviewing overtime arrangements	500	500	-
Property	Rental income stretch target - annual increase in rent roll through lease reviews and renewals	200	200	-
Property	Corporate Landlord model - reduction in running costs through economies of scale	75	-	-
Service Review	Service Review savings to be identified through ongoing review process	930	920	800
		2,594	2,226	900

INDICATIVE SERVICE BUDGET IMPACT 2018/19

Service	2017/18 Current Budget £000	MTFS Growth, etc £000	Commercial Savings £000	Customer & Demand Management Savings £000	ICT/ Digital Savings £000	People Savings £000	Procurement Savings £000	Property Savings £000	Service Review Savings £000	Indicative Budget 2018/19 £000
Environment	16,485	1,765	(106)			(90)				18,054
Transportation & Highways	5,477	219				(7)				5,689
Environment and Highways Total	21,962	1,984	(106)	0	0	(97)	0	0	0	23,743
Planning & Growth	2,818	50	(14)			(22)				2,832
Regeneration	720	100	(95)			(4)				721
Transport	713	8								721
Assets	1,659	233				(6)		(275)		1,611
Place Total	5,910	391	(109)	0	0	(32)	0	(275)	0	5,885
Care & Targeted Outcomes	28,018	986	(17)			(178)	(10)			28,799
Central Administration Support and Other	1,357	(193)				(9)				1,155
Learning & Universal Outcomes	6,616	(65)	(74)			(19)				6,458
School Transport	805	0					(55)			750
Children's Services Total	36,796	728	(91)	0	0	(206)	(65)	0	0	37,162
External Placements	21,824	1,898	(7)				(100)			23,615
Provider Services	9,625	(36)	(1)			(94)				9,494
External Commissioning	1,914	0	(2)			(2)				1,910
Public Health	424	(424)								0
Community Development & Libraries	1,869	(211)				(6)				1,652
Adults; Housing and Health Total	35,656	1,227	(10)	0	0	(102)	(100)	0	0	36,671
Homelessness	479	0				(5)				474
Private Sector Housing	1,775	0				(2)				1,773
Travellers	(75)	4	(46)							(117)
Housing General Fund Total	2,179	4	(46)	0	0	(7)	0	0	0	2,130
Corporate Finance	1,950	139	(190)			(9)				1,890
Cashiers	70	0								70
Chief Executive	197	58				(1)				254
ICT	3,883	50			(110)	(11)				3,812
Revenue and Benefits	1,718	12			(12)	(5)	(5)			1,708
Democratic Services	190	0				(1)				189
Members Services	722	0								722
Electoral Services	440	0								440
Finance and Information Technology Total	9,170	259	(190)	0	(122)	(27)	(5)	0	0	9,085
HR & OD	4,466	(7)				(6)				4,453
HR; OD and Transformation Total	4,466	(7)	0	0	0	(6)	0	0	0	4,453
Corporate Strategy & Communications	1,693	50	(20)	(100)	(25)	(6)				1,592
Social Care Performance	898	0				(2)				896
Strategy, Communications and Customer Services Total	2,591	50	(20)	(100)	(25)	(8)	0	0	0	2,488
Legal Services	857	150				(11)				996
Legal Total	857	150	0	0	0	(11)	0	0	0	996
Commercial Services	561	0				(3)	100			658
Commercial Services Total	561	0	0	0	0	(3)	100	0	0	658

INDICATIVE SERVICE BUDGET IMPACT 2018/19

Corporate Finance	(7,010)	5,314								(1,696)
Investment Income	0	(8,390)								(8,390)
Contribution to reserves	0	2,488								2,488
Savings to be Allocated	0	0						(930)		(930)
Central Expenses Total	(7,010)	(588)	0	0	0	0	0	0	(930)	(8,528)
Council Tax Income	(61,682)	(3,726)								(65,408)
New Homes Bonus	(3,530)	377								(3,153)
NNDR Income	(34,481)	(932)								(35,413)
Collection Fund Balances	1,215	(1,285)								(70)
Revenue Support Grant	(14,660)	3,962								(10,698)
Revenue Funding Total	(113,138)	(1,604)	0	0	0	0	0	0	0	(114,742)
Grand Total	0	2,594	(572)	(100)	(147)	(500)	(70)	(275)	(930)	0

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Work Programme

Committee: Corporate Overview and Scrutiny

Year: 2017/2018

Dates of Meetings: 29 June 2017, 19 September 2017, 21 November 2017, 23 January 2018 (Budget) & 20 March 2018

Topic	Lead Officer	Requested by Officer/Member
29 June 2017		
Terms of Reference	Democratic Services Officer	Standard item for first meeting
Call-In: Communications Strategy	Democratic Services Officer	Cllr J Kent
End of Year Corporate Performance and Progress Report 2016/17	Sarah Welton/Karen Wheeler	Officers
Work Programme	Democratic Services Officer	Standard item
19 September 2017		
Quarter 1 Corporate Performance Report 2017/18	Sarah Welton/Karen Wheeler	Officers
Call-In: Communications Strategy	Democratic Services Officer /Karen Wheeler	Officers
Establish a Task & Finish Group - Public Participation at Council Meetings	Democratic Services Officer	General Services/ Officers
Work Programme	Democratic Services Officer	Standard item
21 November 2017		
2017/18 Local Council Tax Scheme	Sean Clark & Jonathan Wilson	Officers
2018/19 Budget Setting Update	Carl Tomlinson	Officers
Voluntary Sector Grants	Natalie Warren	Officers

Work Programme

Mid Year Corporate Performance Report	Sarah Welton/Karen Wheeler	Officers
Work Programme	Democratic Services Officer	Standard item
23 January 2018		
Treasury Management Strategy	Sean Clark	Officers
2018/19 Draft Budget	Sean Clark	Officers
Capital Bids 2018/19	Sean Clark & Jonathan Wilson	Officers
Single Equality Scheme and Corporate Equality Framework 2018 – 2022	Natalie Warren	Officers
Work Programme	Democratic Services Officer	Standard item
20 March 2018		
Update on the Communications Team and their decision making processes	Karen Wheeler	Committee Members
Update on internal and external apprenticeships	Rory Patterson	Committee Members
Update on the CWG	Karen Wheeler	Committee Members
Budget Update	Sean Clark	Officers
Quarter 3 – Corporate Performance Report	Karen Wheeler	Officers
Civic Offices Business Plan	Steve Cox	Officers
Business Rate Relief	Sean Clark & Andrew Brittain	Director of Finance & IT in consultation with the Chair
Work Programme	Democratic Services Officer	Standard item