

Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

Corporate Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **9 March 2021**

Due to government guidance regarding the COVID-19 virus, members of the press and public will not be able to attend the meeting of Corporate Overview and Scrutiny Committee on 9 March 2021. The meeting will be available to watch live at www.thurrock.gov.uk/webcast

Membership:

Councillors Oliver Gerrish (Chair), Jack Duffin (Vice-Chair), Colin Churchman, Garry Hague, Shane Ralph and Gerard Rice

Substitutes:

Councillors Mike Fletcher, Sue Hooper, Sara Muldowney and Elizabeth Rigby

Agenda

Open to Public and Press

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2 Minutes	5 - 16
To approve as a correct record the minutes of the Corporate Overview and Scrutiny Committee meeting held on 21 January 2021.	
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 Lucy Tricker, Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **1 March 2021**

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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.

Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay
 - High quality, consistent and accessible public services which are right first time
 - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
 - Communities are empowered to make choices and be safer and stronger together

2. **Place** – a heritage-rich borough which is ambitious for its future
 - Roads, houses and public spaces that connect people and places
 - Clean environments that everyone has reason to take pride in
 - Fewer public buildings with better services

3. **Prosperity** – a borough which enables everyone to achieve their aspirations
 - Attractive opportunities for businesses and investors to enhance the local economy
 - Vocational and academic education, skills and job opportunities for all
 - Commercial, entrepreneurial and connected public services

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 21 January 2021 at 7.00 pm

Present: Councillors Oliver Gerrish (Chair), Jack Duffin (Vice-Chair), Garry Hague, Shane Ralph, Gerard Rice, and Elizabeth Rigby (*substitute*)

Apologies: Councillor Colin Churchman

In attendance: Sean Clark, Corporate Director of Finance, Governance and Property
Karen Wheeler, Director of Strategy, Communications and Customer Service
Lucy Tricker, Democratic Services Officer

Before the start of the meeting, all present were advised that the meeting was being recorded, and was being live-streamed onto the Council's webcast channel.

24. Minutes

The Senior Democratic Services Office updated the Committee regarding the recent scrutiny review. She stated that the report had been approved by Cabinet in December 2020, and since then officers had been working to begin the review's implementation. She stated that the team were working to outline how to progress the recommendations, with the majority being implemented at the beginning of the 2021/22 municipal year. She summarised and stated that regular update reports would be brought before the Committee.

The minutes of the Corporate Overview and Scrutiny Committee held on 10 November 2020 were approved as a true and correct record.

25. Items of Urgent Business

There were no items of urgent business.

26. Declaration of Interests

There were no interests declared.

27. Communications Strategy (Verbal Update)

The Director of Strategy, Communications and Customer Services began the update by stating that the Local Government Association had been invited to peer review the Council's communications and perform a 'health check' of the

communications functions. She outlined that this peer review had been completed in October 2020, and the feedback report had been received in mid-December 2020. She explained that as part of the review the LGA team had interviewed local media representatives, officers, partners and Councillors, and the feedback report had included some recommendations. The Director of Strategy, Communications and Customer Services outlined some of the recommendations, which included a 'who reads what' survey to look into how residents accessed information, such as via social media, local media, or the Council's newsletter website. She stated that the LGA report would be used to inform the Communications Strategy, as well as to develop an action plan, both of which would be brought before the Committee. She summarised and explained that the Committee would have the chance to look over the peer review and action plan in March 2021, before the final Communications Strategy would be brought to Committee in June 2021.

Councillor Hague questioned how the Council utilised social media platforms such as Facebook. The Director of Strategy, Communications and Customer Service replied that Thurrock Council had their own social media channels on platforms such as Facebook and Twitter, but also utilised community forums to share Thurrock Council information. She stated that Thurrock could also comment directly on some open social media pages or groups. She added that social media would form a big part of the Communications Strategy. Councillor Rice questioned whether the local elections due to take place in May 2021 would still be going ahead, due to the increasing numbers of COVID deaths. The Corporate Director of Finance, Governance and Property replied that current information indicated that the local elections would still be going ahead, and the Council were working with the Electoral Commission to ensure the elections could safely be delivered, particularly at polling stations and counting centres. He stated that the elections team would continue to organise the elections, until instructed otherwise by central government. Councillor Hague stated if there would be a communications campaign to highlight the postal vote system, as this would reduce the level of contact. The Corporate Director of Finance, Governance and Property responded that the elections team were currently undertaking the registry elections process, which reminded all local residents of the postal vote option.

28. Draft General Fund Budget & Medium Term Financial Strategy Update

The Corporate Director Finance, Governance and Property introduced the report and stated that in the current 2020/21 financial year, a six month forecast Cabinet report had outlined a deficit of £2.7million. He stated that at the beginning of the financial year, the Council had been reporting a surplus of £4.7million, which indicated a £7million in-year change due to the COVID pandemic. He explained that additional funding had now been received which would ensure the budget was balanced at the end of the 2020/21 financial year, but the budgeted surplus had been lost and this would affect future budgets. He outlined that there was currently a £34million funding gap over the next three years, with a £19million deficit in 2021/22 and a £25million deficit split between 2022/23 and 2023/24. He explained that the lost surplus

this year would be compounded by an increased collection fund deficit from decreased business rates and council tax collection, which would impact on potential expenditure in the next few years. He added that this would also be affected by increased costs in adult and children's social care. He described how Thurrock were in the lowest quartile for adults social care expenditure, but this meant there were still pressures in the system and the pandemic would have a greater impact on the service. He stated that the reasons for the pressures in the service were due to demographic changes, an increased number of resilience payments, increased inflation, increased staff pay, increased treasury budgets and interest costs.

The Corporate Director of Finance, Governance and Property stated that the Council were currently undertaking a number of one-off approaches to buy some time, due to the size of the deficit. He stated that the government had undertaken a spending review in November 2020 and the Chancellor had agreed on a one year settlement, but this only informed resources for 2021/22. He added that government grants and council tax income had been built into the budget, which ensured it would be balanced.

The Corporate Director of Finance, Governance and Property then explained that the team had been working on ways to reduce expenditure and increase income, which included the freezing of non-essential vacant post recruitment. He explained that this would reduce the number of employees over the Medium Term Financial Strategy (MTFS), and would save approximately £4million. He stated that this would have an impact on services as it would reduce the number of the staff, but directorates would try to mitigate this as much as possible. He stated that the Council would also be stopping some allowances such as overtime, car allowances, and shift work. He explained that over the past two years the Council had undertaken a review and restructure of staff pay grades, which had been affordable but had led to increased funding. He stated that he understood that this was a sensitive issue, but outlined that it would save the Council approximately £800,000. The Corporate Director of Finance, Governance and Property then outlined the proposed rise in council tax. He explained that central government had set the maximum council tax rise at 2%, and Thurrock were proposing a 1.99% increase. He stated that central government had also agreed a maximum adult social care precept of 3%, which Thurrock were also recommending. He stated that this was a total rise of 4.99%, which had also been built into future budgets. He then described how central government had announced a £4.8million COVID grant for Thurrock to support them in the next financial year, but highlighted that this was a one-off grant that may not occur again in future budgets. The Corporate Director of Finance, Governance and Property then explained that the Council would also be using capital receipts, which had originally been for Minimum Revenue Provision (MRP), but would now be used for Council transformation due to government relaxation of rules. He added that these capital receipts had originally been £5million, but were now £3million. He commented that the Council would also be using £3.3million of reserves as a one-off way to close the deficit.

The Corporate Director of Finance, Governance and Property stated that the

deficit gap in 2022/23 and 2023/24 had originally been £15million, but this had now increased to £25million. He stated that this was due to the one-off approaches that the Council had undertaken this year, which increased the deficit in future years. He explained that departmental savings had already been built into these budgets, such as the move to fortnightly collections and more staffing savings. He explained that the Council would need to make £4million staff savings in 2022/23 and £2million staff savings in 2023/24. He added that the Council were also looking at increasing commercial income, and continuing to increase council tax by 2% every financial year. He described how central government would be undertaking another spending review in November 2021, which would be outlined to Thurrock in December 2021, but the budget would need to be balanced before this point. He explained that this was due to the time it would take to make savings such as consultation and notice periods. The Corporate Director of Finance, Governance and Property summarised and stated that scrutiny committees would have the opportunity to look at individual departmental savings at the beginning of the 2021/22 financial year.

The Chair began debate and stated that this was a sobering financial report that would present many challenges. He highlighted appendix 1 and stated that before intervention there would be a £42million deficit over three years, of which only £6.4million was due to COVID impacts. He questioned if this figure was correct and only 15% of the deficit was due to COVID. The Chair also queried other, non-COVID related pressures. He stated that there would be £3million corporate growth in 2021/22, 2022/23, and 2023/24, and asked what this increase would mean for council activity. The Corporate Director of Finance, Governance and Property replied that the corporate growth figures were a normal level of growth, and had been seen in previous years. He stated that this year though, the corporate growth figures were only linked to adults and children's social care, which paid for new fees being paid out. He explained that Thurrock were in the lowest quartile for adults social care expenditure in the country, but payments still had to be paid to ensure vulnerable residents could be supported.

The Chair queried if council tax would continue to rise by 1.99% in future years. He stated that these increases would equate to a 10% rise over three years and this could have an impact on residents. The Chair also questioned if the level of council tax collection would decrease over the period of the MTFs. The Corporate Director of Finance, Governance and Property replied that the Council would be assuming a 1.99% rise again in 2022/23 if there were continued financial difficulties in 2021/22. The Chair then questioned if the Council could be more ambitious regarding commercial income. The Corporate Director of Finance, Governance and Property replied that the Council would be as ambitious as possible, but the commercial income outlined in the MTFs was not a target. He stated that the figure of £1,089,000 came from a reduction in the collection of fees and charges which had occurred this year, and might continue to occur as it could take a while for the country to get back to normal after COVID. He outlined that any departmental savings had been put forward by the department who were working to increase income and decrease expenditure. He stated that the Council had

not yet decided how to split savings into increase income and decrease expenditure, and no directorates had yet been given savings targets from corporate.

The Chair stated that Thurrock had currently received £6.4million from central government in COVID funding. He queried if Thurrock were making additional representations for more funding. The Corporate Director of Finance, Governance and Property replied that the government had given Thurrock a general grant of £4.8million this year, and had also agreed to pay for 75% of lost fees and charges revenue until June 2021. He stated that Thurrock were reporting monthly to the MHCLG and were pointing out areas that required additional funding. The Chair highlighted page 19 of the agenda, and drew the Committee's attention to the bar chart. He explained that when the bar chart was above the red line, the council were in surplus; and when the bar chart was below the red line, the council were in deficit. He stated that the challenge would come in 2021/22 when the council would need to both increase income and reduce expenditure. He stated that since 2015/16 expenditure had been increasing every year, and asked if the Council should have reined in and challenged spending during this period. The Corporate Director of Finance, Governance and Property replied that in hindsight the Council should have challenged expenditure, but felt that the council should also have continued to raise council tax. He stated that Thurrock had very low council tax levels compared to other unitary authorities around the country, and if council tax had been raised, then the Council would now have an additional £13million. He stated that the team had reviewed services over this time period, but would now be increasing the pace of this review.

Councillor Rice questioned the £30million overspend on the A13 widening scheme, and asked what the revenue consequences of this would be. He also questioned the policy surrounding brown bins, including if there was a charge and when this would begin. The Corporate Director of Finance, Governance and Policy replied that a charge on brown bins had not been agreed, no timescales were in place to begin one, and so therefore this had not been included in the budget figures. He stated that the team were still reviewing the A13 scheme and looking into other potential finance streams. He explained that infrastructure projects such as the A13 had a forty year life span, so would be repaid through the MRP at approximately 1/40th of the cost every year. He added that the scheme also had low interest rates of 0.7/0.8%.

Councillor Ralph highlighted page 19 and the drop in interest receivable in 2023/34. The Corporate Director of Finance, Governance and Property replied that this was due to the pause in the investment strategy, during which no further investment would be taking place. He stated that the team had therefore removed the targets for future investments, as investments that matured in this period would not be replaced which would decrease the levels of growth. He explained that the pause in investment strategy was due to recent publicity surrounding investments at Thurrock, as well as a government change in policy. He explained that previously the government had encouraged council's to be entrepreneurial and undertake investments, but recent policy had stated that local authorities should not invest. He added that

the Public Works Loans Board (PWLB) had also introduced a new policy in November 2020 of not lending to Councils who undertook investments, and the majority of the Council's borrowing came from the PWLB.

Councillor Rigby questioned if the Council would also be undertaking pay freezes. The Corporate Director of Finance, Governance and Property replied that he was currently in discussion with the unions surrounding pay freezes for staff. He explained that in November 2020, the Chancellor had announced a public sector pay freeze, and although local authorities did not fall into this criteria, council's should have mind to this advice. He added that he was also looking at the affordability of pay increases, and this was being independently reviewed.

Councillor Duffin thanked the finance team for their hard work and questioned if commercialisation would increase, despite the pause in the investment strategy. He felt it would be good to see an increase in commercial revenue, and would also benefit local residents. The Chair highlighted point 3.8 of the report and asked if specific savings proposals would be given to individual directorates. He stated that the report only included one directorate saving as well as council-wide proposals. He asked if the Director was happy with the speed savings were being made at. The Chair also asked if more reserves should be used. The Corporate Director of Finance, Governance and Property replied that the Council had made a conscious decision to take time when making savings. He felt that nobody knew how COVID would progress back in March 2020, or the affect it would have, and stated that the savings from the environmental directorate had not been forced. He explained that other directorate level savings had been made, but the environmental directorate's savings had been most notable.

The Chair then asked what strategic options were available to the Council now the investment strategy had been stopped. He asked if it would lead to a reduction in services or continued increase of council tax. The Corporate Director of Finance, Governance and Property replied that the Council were already undertaking the majority of strategic options, and were trying to achieve change through transformation to reduce the impact on residents and the community. He explained that as Thurrock had one of the lowest council tax rates in Essex and other unitary authorities across the UK, the council fell into the low-cost service category, which it made it difficult to make service savings. He then stated that although the Council was working to raise commercial income, fees and charges could only make approximately £8million in come, compared to the £25million deficit that the Council faced. He stated that the Council were also continuing to pursue the policy of 'fewer buildings, better services', but stated that the biggest budget was staffing. He explained that only 12 budgets in the council were in excess of £1million, the first being staffing, then adults social care, and thirdly children's social care budget. He described how interest debt remained high, but if the Council chose to decrease debt interest, this would also decrease the level of income received too. He felt that it would be a significant challenge to balance the budget, which would utilise multiple methods such as increasing commercial income and council tax, whilst decreasing staffing and service budgets.

The Chair questioned if the Council should have diversified its income streams, rather than focussing on investments. The Corporate Director of Finance, Governance and Property replied that investment income had helped to maintain services, brought additional funding to the borough, and reduced financial pressures, whilst also decreasing council tax for a number of years. He described how before the investment strategy had been undertaken, the council had been in contact deficit and would have meant that staff and services would have been decreased before the pandemic began, and would still have needed to be cut post-COVID. He felt that the investment strategy had deferred making difficult decisions and reduced the impact on residents, whilst also ensuring that reserves had increased every year since 2016.

Councillor Rice questioned the impact that COVID was having on Impulse Leisure, and what council support was being offered to them whilst they were non-operative. The Corporate Director of Finance, Governance and Property replied that Impulse Leisure did not have any call on the budget, as they did not have a Service Level Agreement with the Council. He explained that a different government grant had recently been introduced which met the criteria of the relationship between the Council and Impulse Leisure, and Thurrock had already bid for a portion of this grant. He explained that Impulse Leisure were a tenant of Thurrock Council's due to the nature of their lease, but this position had been acknowledged by the government, who would hopefully give Impulse Leisure a portion of the grant.

Councillor Ralph stated that he felt investments had helped Thurrock and its residents. He felt it was a shame the government directive had been changed surrounding investments, but felt lucky that Thurrock had invested in green energy, rather than shopping centres, and had continued to see investment income during the pandemic. He stated that increased council tax would affect residents, and felt it was important that the Council continued to seek alternative funding streams such as capital and commercial funds. Councillor Hague commented that investments had been supported by both the Committee and wider Council since its inception, and felt that government policy had been influenced by some councils making poor investment choices. He added that the current deficit projections would cause huge challenges for the Council, and queried whether working remotely had had an impact on the level of staffing, and if shared service agreements with other councils could now be pursued. Councillor Duffin highlighted the graph on page 19 and felt that investments had brought in over £100million of income, which had benefitted residents. The Corporate Director of Finance, Governance and Property replied that the team were currently looking into shared service agreements and automation as ways of reducing expenditure. He stated that the team were also looking at services which could potentially be delivered by the community. He added that the Council had also received an £80,000 revenue support grant (RSG) from the government, and were making the case for more government support. He explained that the RSG usually decreased year-on-year and felt it was good to see an increase in levels of support through this mechanism.

Councillor Rice asked if the council were considering the sale of assets to increase council income. The Corporate Director of Finance, Governance and Property replied that there were two financial aspects to consider when looking at the disposal of assets, which were: the use of capital receipts to pay for activity, as the sale of assets created capital receipts, which increased the capital strategy; and the 12 budget categories which were in excess of £1million and included the cost and maintenance of buildings. He stated that the team were looking at asset disposals and a paper would be submitted to February Cabinet that would describe this in more detail. The Chair then questioned the Local Council Tax Scheme (LCTS), and asked if future consultation would be taking place. The Corporate Director of Finance, Governance and Property replied that LCTS consultation would be considered in the future, but the team had felt there was currently lots of council tax uncertainty and had felt it was not appropriate to undergo consultation at this time. He added that it would also be difficult for the team to carry out a meaningful consultation because of the pandemic. He stated that officers and the Portfolio Holder had agreed to maintain the LCTS for the time being, but would try to go to consultation in summer 2021. He mentioned that that January Full Council report would show an increase of £700,000 in the LCTS budget to support claimants.

The Chair summarised and stated that the main comments from the discussion had been: requests for additional government support; concern surrounding a 10% council tax increase over three years; an increase in the commercial approach; the team to consider other income approaches, such as shared services or remote working savings; asset disposal; and reassurance surrounding future LCTS consultation.

RESOLVED: That the Committee:

- 1. Commented on the proposed council tax level with mind to the comments set out in the report.**
- 2. Commented on the draft budget as set out within the report to inform the final budget proposals at Cabinet on 10 February 2021.**

29. Capital Strategy 2021/22

The Corporate Director Finance, Governance and Property introduced the report and stated that the report set out the approach to capital borrowing over the coming years, as well as outlining prudential indicators. He stated that the report also contained the capital and treasury management strategy, and in previous years would have outlined the targets for investment and the investment approach. He explained that as the council were no longer pursuing new investment opportunities, the report was now based on existing capital investments, which meant that future borrowing requirements had decreased. The Corporate Director of Finance, Governance and Property highlighted point 3.3 of the report and stated that this was the same as

previous years, and included temporary borrowing which had been undertaken since 2010. He explained that this also outlined changes to interest and the ability of the Council to borrow, including the Council's move to PWLB borrowing. He commented that the MRP had not changed, but was an annual requirement to be included in the report. He summarised and stated that current levels of net borrowing were between £300 and £400million.

The Chair highlighted table 4 on page 39 of the agenda, and questioned why the total future debt appeared to increase. The Corporate Director of Finance, Governance and Property replied that this was due to the decreasing number of investments which would not be replaced once they matured. He added that this also reflected the capital programme, for example the A13 project and ongoing HRA development, as this borrowing equated to funding the capital programme. The Chair then questioned the process for the sale of assets. The Corporate Director of Finance, Governance and Property replied that the asset team were currently reviewing and classifying all government assets. He stated that these had been classified into approximately 60-70 operational assets; 50-60 community assets; and 200 assets that did not fall into either of these categories. He explained that the assets team were liaising with all directorates to ascertain service needs, for example housebuilding or local plan development potential, and then deciding if the assets needed to be disposed or could be utilised. He explained that all asset disposals over £250,000 now needed to go through Cabinet for approval, and felt that asset disposal was not just about increasing capital receipts, but also about decreasing exposure and liability. The Chair queried what level of democratic oversight occurred for asset disposals. The Corporate Director of Finance, Governance and Property replied that the asset disposal would be brought before the relevant overview and scrutiny committee. He explained that the assets due to be brought forward to Cabinet in February were not controversial, for example some tenants wished to purchase the assets. He stated that the team were developing a flowchart process for housing sites, which would go before the Housing Overview and Scrutiny Committee.

Councillor Ralph sought reassurance that all assets would be properly valued before they were sold. The Corporate Director of Finance, Governance and Property replied that since 2019 all disposals over £250,000 needed to be agreed by Cabinet, and even disposals under £250,000 needed the agreement of the Leader. He stated that the Council had a legal duty to get best value for the disposal, whether that be monetary value or social value.

The Chair then questioned the Investments Committee, and if this was still continuing now the investment strategy had been paused. The Corporate Director of Finance, Governance and Property explained that the Shadow Investment Committee had had two meetings in 2020, which had included the Portfolio Holder for Finance and Transformation and all Group Leaders. He described how at the first meeting, a report had been provided by Candle Global who provided the Council with investment advice, and had brought forward a number of governance suggestions and KPI ideas, as well as the wider borrowing portfolios and ongoing investment. He stated that the

Committee had not decided whether they would be a formal Committee, and therefore follow Constitutional rules such as democratic proportionality, or would be a Shadow Committee. The Corporate Director of Finance, Governance and Property then explained that the Committee had met in December 2020 where they had been provided updates regarding the investment strategy pause. He added that the Committee had another meeting in a few weeks' time where they would be monitoring ongoing investments. He added that due to the pause in the investment strategy, the Committee would also be deciding if there was a need for the Committee or if it could be reabsorbed back into Corporate Overview and Scrutiny Committee or the Standards and Audit Committee.

RESOLVED: That the Committee:

1. Commented on the 2021/22 Capital Strategy for consideration by Cabinet at their meeting on 10 February 2021.

30. Draft Capital Programme

The Corporate Director Finance, Governance and Property introduced the report and stated that this report was brought before the Committee every year and outlined the new schemes that would be included in the capital programme, and formed part of the budget setting in February. He stated that due to the Council's financial position the capital programme did not include as many schemes as in previous years, as the majority of capital schemes required lots of staff and resources to deliver, which would be reduced due to a reduction in capacity and vacant post staff freezes. The Corporate Director of Finance, Governance and Property outlined the two aspects of the capital programme which were: smaller schemes outlined in 4.2 of the report which were divided into the digital, operational, and property pots; and larger schemes which were included at appendix 2.

The Chair questioned the affordability of some of the projects, and asked how budgets were going to be managed. The Corporate Director of Finance, Governance and Property replied that over the past year the Council had worked hard to improve its project management capabilities, including increased senior management involvement, and new team members who had project management experience. He explained that the Project Board met monthly and was chaired by the Chief Executive to monitor delivery, timescales, and budgets of ongoing projects. He explained that there were always challenges on public sector budgets due to project cost overruns and delays, but controls were now in place to improve project management.

Councillor Ralph questioned the Stanford-le-Hope Interchange project, and asked if the Council had claimed back funds from DP World. He felt it was good to see third party investment in these schemes, and urged the Council to claim back any necessary monies. The Corporate Director of Finance, Governance and Property replied that the Council claimed as much back as possible on these schemes, and would confirm in writing if DP World funds

had been claimed. Councillor Rice then queried the spend of £9million on consultants for the Stanford-le-Hope Interchange project. He also questioned overspend on the A13 widening project, and potential funding for the A13 East Facing Access scheme. The Corporate Director of Finance, Governance and Property stated that he did not recognise the figure of £9million spent on consultants, but would come back to the Committee with a written reply and brief update on the position. He stated that the Council were contractually obliged to pay for the A13 widening scheme, and the team were working hard to mitigate the £30million overspend, including through monthly claims to Kier. He added that the team were also working to increase the contributions from third parties, including SELEP and the Highways Agency. He stated that as a last resort the Council could use prudential borrowing, but would use capital receipts before then. He explained that the Council were currently undertaking feasibility studies regarding the A13 East Facing Access Scheme, but explained that government grants could be used to cover this cost. He explained that as it was a large scheme, there was a risk of costs overrunning, which the Council would analyse before any decision was made.

The Chair questioned the impact that COVID had had on the current capital programme. The Corporate Director of Finance, Governance and Property replied that COVID had not yet impacted the capital programme, other than the A13. He added that COVID had actually improved some aspects, such as the M25 junctions 31 improvements, which had been undertaken more quickly than expected due to the decreased levels of traffic.

RESOLVED: That the Committee:

1. Commented on the specific proposals set out in the report.

31. Work Programme

The Chair stated that the Communications Strategy report would be brought before the Committee in June 2021. The Corporate Director of Finance, Governance and Property requested an additional finance update in March 2021. Councillor Duffin requested a paper on commercialisation, and the Corporate Director of Finance, Governance and Property replied that he would look into this to ensure it fell within the remit of Corporate Overview and Scrutiny, particularly surrounding asset disposal.

The meeting finished at 8.55 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**

9 March 2021	ITEM: 5
Corporate Overview and Scrutiny Committee	
Memorandum of Understanding – Local Government Reorganisation	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Rob Gledhill, Leader of the Council and Portfolio Holder for Anti-Social Behaviour	
Accountable Assistant Director: Ian Hunt, Assistant Director Law and Governance	
Accountable Director: Lyn Carpenter, Chief Executive	
This report is Public	

Executive Summary

The Council intends to enter a Memorandum of Understanding (MOU) with Basildon Borough Council to investigate the benefits of becoming one unitary council in support and preparation for the government’s forthcoming devolution white paper. This report is before Scrutiny in advance of the Cabinet meeting to consider the substantive decision.

The Councils will jointly look to explore all aspects of merging, both benefits and risks, to develop proposals in advance of the Government’s Devolution White Paper. It is also intended to support the most advantageous form of long term governance for the residents and businesses of South West Essex.

The MOU does not determine the future shape of arrangements but will explore options including the creation of a new unitary Council for the area. Future decision making will assess the merits of the proposals.

1. Recommendation:

1.1 That the Corporate Overview and Scrutiny committee comment on the report and the proposal for consideration by Cabinet at their meeting on the 10 March 2021.

2. Introduction and Background

2.1 At the meeting of Cabinet on the 10 February 2021 the Leader announced the intention to bring forward a report to the March meeting of Cabinet to consider

entering into a Memorandum of Understanding (MOU) with Basildon Borough Council to pursue joint working on proposals around Local Government reform linked to the potential formation of a new unitary council.

- 2.2 Under the then Secretary of State, Government announced a forthcoming White Paper on Local Government and Devolution to be published in Autumn 2020. This paper has been delayed and is now expected in Spring/Summer 2021 although as yet there is no clear timeline. The emphasis on the White Paper, whilst potentially still including reference to devolution, may focus primarily on recovery although the detail will only be clear on publication.
- 2.3 The work proposed under the MOU will enable the two Councils to explore options in order to prepare for the release of this white paper. This will include considering opportunities for reform for the two areas with a view to maximising the economic and social benefits for residents and businesses across the two Boroughs. By developing this work in advance of the white paper it will help the two authorities to take control over the decisions made about the two boroughs and develop robust proposals for the future ensuring that neither residents nor businesses are disadvantaged by any future proposals.
- 2.4 The MOU anticipates work to assess the merits of a potential proposal for the creation of a South West Essex Unitary Authority. Although based on the two Boroughs initially there is no fixed view on the final proposed geography of potential reform and the proposed MOU specifically enshrines the principle that the proposals will be developed in consultation with neighbours. It should be noted that any proposal would under current rules need the support of Essex County Council and any Districts / Unitary Authorities impacted in order to proceed.

What is not covered by the MOU:

- 2.5 This MOU does not in and of itself determine the future direction of the Council. There are a number of stages of decision making and consideration, if indeed the proposals are to be taken forward. The MOU does not directly impact on current service delivery, budgeting and Council Tax or staff structures at this time.
- 2.6 Thurrock Council's commitment to continuing its joint work across the whole of the South of Essex within the Association of South Essex Local Authorities (ASELA) is not diminished and the Council intends to take an active part in that work including the setting up of the Joint Committee approved at Cabinet on the 10 February 2020.

3. Issues, Options and Analysis of Options

- 3.1 Structural reform in Local Government is regulated through legislation and is subject to specific frameworks. Whilst the potential Devolution White Paper may change details within this the current framework is set out for context.

- 3.2 The procedure for the creation of a unitary authority can be found in sections 1-7 of the Local Government and Public Involvement in Health Act 2007. The Secretary of State can 'invite' a proposal from a local authority to make a proposal for a county or district, or group of districts, to become unitary. The Local Government Boundary Commission for England (LGBCE) can be, but need not be, asked for advice on any matter related to the proposal.
- 3.3 Regulations may be made covering how local authorities should go about preparing their proposal. The Secretary of State may then make an order implementing the proposal, or s/he may reject the proposal.
- 3.4 If accepted by the Secretary of State the change must be implemented by way of statutory regulations which must be approved by both Houses of Parliament.
- 3.5 The usual process for forming a new authority under these proposals follows the following steps:
- Invitation for Proposals to the Secretary of State is issued.
 - All councils within an area develop proposals which assess the impacts for residents, business and the sustainability of the new Council. This step usually engages with residents and business.
 - Submission of proposals to Secretary of State
 - If the Secretary of State is minded to pursue these proposals they may:
 - Invite the LGBCE to consider proposals (which may involve public consultation)
 - If there has been inadequate consultation at the earlier stages undertake (or direct that) consultation with residents and businesses.
 - Approval of proposals by the Secretary of State
 - Consideration of regulations by Parliament
 - Formation of a new Shadow Council (this usually runs for 12 Months)
 - Elections to the New Council
 - Formal transfer of functions and termination of the existing Councils.
- 3.6 At this point in time there has been no invitation for proposals within the meaning of the regulations, however there is precedent that where an area comes forward with proposals the Secretary of State can display the invitation stage.
- 3.7 The regulations provide that the proposals have to have the consent of all relevant authorities (in the present proposal Thurrock and Basildon Borough Councils and Essex County Council) who would be impacted in order to proceed. A previous section which allowed the Secretary of State to proceed where only some of the authorities consented expired on the 31 March 2019.
- 3.8 In this context it has to be recognised that whilst Thurrock is a Unitary Authority, Basildon Council is a District Council. Accordingly either there needs to be consent from Essex County Council or the Government would

need to legislate that their consent is not required. An understanding of the demand on services Essex County Council manages will be critical for the understanding of the viability of any proposed new unitary authority, without this information there would be substantial risks to any analysis and the potential new authority, in that there may be significant unbudgeted and unexpected demands which may impact the ability to deliver on proposals.

- 3.9 Any proposals which are developed would need to be approved by the Council prior to submission, this would ensure there is an opportunity for full scrutiny and review by Members.

4. Reasons for Recommendation

- 4.1 To enable the entering into of a Memorandum of Understanding which will allow the Councils to explore the opportunities for local government reorganisation in the future.

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

- 5.1 The proposals have developed from political discussions between the Council Leaders. The memorandum of understating commits the Council to looking at potential proposals rather than defining a structure at this point.
- 5.2 This report is scheduled for pre scrutiny on the 9 March at the Corporate Overview and Scrutiny Committee in advance of the meeting of Cabinet on the 10 March 2021.
- 5.3 This future work will necessitate engagement with Members, residents and partners to fully understand the implications of any proposals and to ensure that these are adequately consulted on.
- 5.4 Any future formal proposals for changes to the Councils governance and structure would require relevant formal statutory consultation.

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

- 6.1 The proposals are an opportunity to consider a potential for a structural change. In considering the opportunity the Council will have to assess the benefits of the proposals against the three core priorities of People, Place and Prosperity. Proposals will ideally seek to maximise the benefits to residents and local businesses.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**

Corporate Director of Finance, Governance and Property

This report does not create direct financial obligations. The initial phase of work can be met within existing budgets. It should be recognised that there is currently no dedicated resource to undertake this work, therefore it will require the diversion of senior management time and effort to input into the detailed work and proposals, and this represents an opportunity cost.

Should there be future proposals for structural change the financial implications of this would need to be included in the wider appraisals of the proposals at that time. Full consideration will need to be given as to the robustness of any proposals particularly if they are not based on detailed information.

7.2 Legal

Implications verified by: **Ian Hunt**
**Assistant Director Law and Governance, and
Monitoring Officer**

Entering into a Memorandum of Understanding in this context is within the powers of the Council under both s111 of the Local Government Act 1972 and s1 Localism Act 2011.

The report addresses the legal implications of Local Government Reform.

7.3 Diversity and Equality

Implications verified by: **Rebecca Lee**
**Team Manager - Community Development and
Equalities**

The decision to work with Basildon Council on these proposals does not create a direct impact on Diversity or Equality. In developing proposals for any form of structural change the full impact of the diverse communities we serve and the equality impact for workforce and residents would need full consideration. In line with the Council's commitments to work with communities in developing proposals any structural change would need community engagement and involvement.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder, and Impact on Looked After Children)

Any formal change to the Council's governance and structure has the potential to have impacts in all the domains the Council operates within. This could include staff, given the area over which they would be operating could change. At this point in time there is no indication what impacts this could

have and the work envisaged under this memorandum of understanding would be key to understanding any potential impacts. If the work indicates that there is a need for changes this would in line with normal protocols involve full discussion with staff and trade union bodies.

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):

- None

9. Appendices to the report

- Appendix 1 – Memorandum of Understanding.

Report Author:

Ian Hunt

Assistant Director of Legal and Governance

Appendix 1

Local Government Reform

Memorandum of Understanding

between

Basildon Borough Council

Thurrock Borough Council

1. Core Purpose and Aims

- 1.1 Both authorities remain supportive of, and committed to actively participating in ongoing collaborative work being undertaken by local authorities across Greater Essex to realise the benefits of joint working and the potential for Local Government Reform and hope that work undertaken under this MOU may support other local authorities to unlock proposals for local government reform in their areas of Essex.
- 1.2 This joint working approach is highlighted by the work of both Authorities within the Association of South Essex Local Authorities (ASELA).
- 1.3 This Memorandum of Understanding (MoU) agrees that the two authorities will work together to maximise the economic and social benefits for residents and businesses across the two Boroughs and specifically the extent to which the local authority areas might be likely to provide a meaningful geographic and economic area, and fulfil other criteria and requirements in the context of future local government reform.
- 1.4 This work may include joint working and the potential for a combined approach to wider Local Government Reform, and specifically considering the creation of a new South West Essex unitary authority which encompasses both local authority areas.
- 1.5 This MoU does not indicate a fixed view on the geography of local government reform in South West Essex. We intend to assess a range of potential options and consult positively with our neighbours to seek their input to the process
- 1.6 A key principle of this MoU is that signatories are equal partners but will bring the best of their experience and capabilities to the work

2. Term and Termination

- 2.1. This MoU shall commence on the date of the signature by each Authority, and shall expire if either party gives notice to the other.

3. Variation

- 3.1. The MoU can be varied by written agreement of the Authorities.
- 3.2. The MoU allows for other local authorities to join as the process develops if appropriate by mutual agreement

4. Charges and liabilities

- 4.1. Except as otherwise provided, the Parties shall bear their own costs and expenses incurred in complying with their obligations under this MoU and agree to split equally all jointly incurred costs.

5. Status

- 5.1. This MoU cannot override the statutory duties and powers of the parties and is not enforceable by law. However the parties agree to the principles set out in this MoU.

Signed by

Local Authority	Leader of the Council	Chief Executive	Date
Basildon Borough Council			
Thurrock Borough Council			

9 March 2021	ITEM: 6
Corporate Overview and Scrutiny Committee	
Communications Update	
Wards and communities affected: All	Key Decision: Non applicable information only
Report of: Karen Wheeler, Director of Strategy, Communications and Customer Services	
Accountable Assistant Director: N/A	
Accountable Director: Karen Wheeler, Director of Strategy, Communications and Customer Services	
This report is public	

Executive Summary

The Local Government Association (LGA) carried out a ‘communications health check’ in October 2020 at the council’s request and provided a report in December 2020 which made recommendations to support the development of strategic communications at Thurrock Council.

A response and action plan, at Appendix 2, has been developed which outlines the council’s plans to implement the recommendations from the LGA report and progress against each action. The council welcomes the report and recommendations. Many of the actions will help to inform the new communications strategy which is currently being developed. The action plan is a working document covering both strategic issues for implementation through the new strategy in 2021/22 onwards as well as more operational improvements that can be delivered immediately.

Corporate Overview and Scrutiny Committee are invited to comment on the action plan and provide any additional recommendations for consideration as part of developing the communications strategy.

1. Recommendation(s)

1.1 The committee is asked to comment on the LGA report and the progress made on implementing its recommendations through the response and action plan and make any additional recommendations to inform development of the new communications strategy.

2. Introduction and Background

- 2.1 This report provides an update on the LGA Peer Review of the council's communications which took place in October 2020.
- 2.2 It follows the verbal update given to Corporate Overview and Scrutiny Committee by the Director of Strategy, Communications and Customer Services on in January 2021.
- 2.3.1 The council is in the process of reviewing its communication strategy with a view to having a refreshed strategy in the coming months which will be shared at Corporate Overview and Scrutiny Committee prior to going to Cabinet for approval June 2021.
- 2.3.2 The Local Government Association (LGA) were invited to carry out a virtual peer review, referred to as a 'communications health check' in preparation for developing the communications strategy.
- 2.3.3 This was similar to the 'communications health check' undertaken in May 2017 which informed the current strategy. The most recent report recognises the progress made since the previous review.
- 2.3.4 Health checks are part of the LGA's sector-led improvement offer and are delivered by communications peers. The peers who delivered the health check were:
- Cllr Gareth Barnard, Executive Member for Children, Young People and Learning, Bracknell Forest Council
 - Alix Macfarlane, Deputy Head of Communications, Brighton and Hove Council, and Chair of LGCommunications
 - Matt Nicholls, Head of Communications Support and Improvement, LGA
- 2.3.5 The peer team spoke to 35 people including councillors across all parties, officers within and outside of the communications team, partners and the local media through sessions held on Microsoft Teams over two half days in October. This was followed by the report in December 2020.

3. Issues, Options and Analysis of Options

- 3.1.1 The report provides detailed feedback and recommendations made by the LGA based on their discussions with councillors, officers, partners and the local media.
- 3.1.2 A plan, at Appendix 2, has been developed which outlines the council's response and action to address each of these recommendations. The recommendations focus on five key areas which include strategic issues linked to the emerging new strategy and wider approach to communications as well as practical more operational issues around the following themes:
- Communications strategy

- Local media
- Processes
- Enews (resident newsletter Thurrock News)
- Social media

3.1.3 All recommendations contained within the report have either been implemented or are underway. The action plan is a working document and will be updated over time.

4. Reasons for Recommendation

4.1 Corporate Overview and Scrutiny Committee is asked to comment on the progress made on implementing the recommendations and to support the continuation of the work towards preparing the new communications strategy. Any comments or additional recommendations from the committee will be considered as part of developing the strategy.

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

5.1 The LGA peer team spoke to councillors from all parties, officers in the communications team and across other services, partners and the local media in the preparation of their report.

5.2 The Portfolio Holder, Directors Board and Communications Team were consulted on the development of the action plan.

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

6.1 Communication of the priorities, policies and performance is key to the overall success and reputation of the council as well as the wellbeing of residents.

7. Implications

7.1 Financial

Implications verified by: **Laura Last**
Senior Management Accountant

There are no financial implications as a result of this report. Actions in response to the recommendations can be implemented within existing budgets.

The LGA communications health check is part of the wider improvement support offer included within the council's membership of the LGA.

7.2 Legal

Implications verified by: **Ian Hunt**
Assistant Director of Law and Governance & Monitoring Officer

There are no legal implications as a result of this report. The council follows the Recommended Code of Practice for Local Authority Publicity. The Code provides guidance on the content, style, distribution and cost of local authority publicity.

7.3 Diversity and Equality

Implications verified by: **Rebecca Lee**
Team Manager - Community Development and Equalities

There are no direct diversity and equality implications as a result of this report, however, the council must ensure that a range of channels are used to communicate with residents so as not to exclude any particular group. This will be considered as part of the survey included within the recommendations and actions plans. The results will be used to inform the new communication strategy.

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

There are no other specific implications, however, the council regularly develops communications approaches and materials in partnership with other public sector organisations, the voluntary sector and businesses as appropriate.

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):

- LGA Communications Health Check: Thurrock Council

9. Appendices to the report

- Appendix 1 - LGA Communications Health Check: Thurrock Council
- Appendix 2 - Communications Health Check Response and Action Plan

Report Author:

Mary Patricia Flynn
Strategic Lead Communications
Communications

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Appendix 1

Communications health check

Thurrock Council

October 2020

Summary of findings

1. Executive summary

Thurrock Council has a positive story to tell about both its achievements as an authority and ambitions for the local area.

This is a council which is well regarded by its partners and is seen as having shown strong local leadership during very difficult times. The response to the deaths of 39 people in a lorry container in 2019, and more recently the handling of COVID-19, are examples of where the organisation's communications have been severely tested but have risen to the challenge.

Thurrock Council has a visible and committed political and managerial leadership which is passionate about the local area. It also possesses a communications team which is seen as hard working, approachable and creative.

Since the last LGA communications health check in 2017, progress has been made in many areas. The team has been restructured and is now more flexible and responsive, and has made strides to modernise its overall approach to communications.

There is an increased focus on campaigns – and less of a reliance on the issuing of press releases – albeit with progress still required. Internal communications is also seen as having improved, leading to significantly higher levels of engagement.

The crisis situations the team has had to respond to mean it has built strong and effective relationships with its public service partners.

However, despite the many positive developments we were able to identify, there remains some dissatisfaction with Thurrock's communications. In particular, there is disconnect between the experience members have with how the council communicates and with other people we spoke to.

There is a strong sense amongst members that the council's reputation amongst the local media needs to be improved. This has resulted in a situation where portfolio holders often feel unprotected, frustrated and not fully supported. Despite a seemingly large amount of organisational resource going into managing press enquiries, the local media is also disappointed with the service it often receives.

Everybody we spoke to within the council was frustrated with the amount of time taken to sign off press releases and statements. Ultimately, the current situation serves nobody's interests – whether it is the communications team, senior officers, members or indeed the local media. The system as it stands is not working as well as it could do, and we would urge the council to adopt a streamlined and less resource intensive approach.

There are differing views about the importance of the local media in the current climate, and a strong sense amongst some people that the time spent issuing press releases would be better spent growing and developing the council's own communications channels. It is true that the local media in Thurrock is less prominent than it once was – even since the last health check in 2017. However, the council's ability to determine the best approach is hampered by it not having insight

into the way local people consume news, or prefer to. It will be difficult for the council to develop a truly effective communications strategy going forward without this information.

In many respects, the council does already have a model for its future approach to communications – and that is the response to the container deaths and the pandemic. These incidents have shown what can be achieved through clear messaging, strong local leadership, clarity of purpose and good communications. The challenge now is to apply those positive lessons to everyday working.

2. Recommendations

These recommendations outline a series of practical actions and activities which will support the development of strategic communications at Thurrock Council, putting it in a better position to deliver the council's ambitions for its people and the place:

- Commission a 'who reads what?' survey to establish how Thurrock residents consume news and prefer to.
- Ensure the refreshed communications strategy includes measurable objectives and an annual campaign plan.
- Use the new strategy to set out how the Thurrock story will be communicated.
- Consider commissioning an externally facilitated workshop involving members and officers to help develop the new strategy.
- Replace the current sign off process for media statements with a simpler system which reduces the number of people involved and includes timeframes for both officers and members to agree lines.
- Consider more productive ways of engaging the local media (e.g. briefings) rather than relying on press releases.
- Establish a priority system for triaging queries, keep media updated on progress of queries and explain when a query will be answered or why no response is to be issued if that needs to be the case.
- Agree a strategy for how the council engages with online news outlets and stick to it.
- Involve the communications team in the council's decision-making process at an earlier stage to improve relationships and trust with members.
- Introduce a more outcome focussed approach to evaluating communications activity (e.g. the impact of a campaign rather than the number of 'likes').
- Focus more on the council's own communications channels which are read by more people (e.g. e-newsletters).
- Consider if customer services can support more with social media responsibilities by managing day to day enquiries received on that platform – and whether other departments can also play a greater role in creating content.
- Try and cut out the little errors (i.e. mistakes in draft press releases) which have an impact on the communications team's reputation.

- Get to know your social media platforms and audiences better, and avoid posting the same content across all channels.
- Introduce more local faces to social media and video content.
- Set ambitious targets for increasing the number of subscribers to the council's Thurrock News e-newsletter and develop a plan for achieving this.

3. Background and scope of the health check

It was a pleasure to speak with colleagues virtually from Thurrock Council on 6 and 9 October 2020. We appreciated the participation of everyone during the process and the people who gave up their time to share their views with us.

Health checks are part of the LGA's sector-led improvement offer and are delivered by communications peers. The peers who delivered the health check were:

Cllr Gareth Barnard, Executive Member for Children, Young People and Learning, Bracknell Forest Council
Alix Macfarlane, Deputy Head of Communications, Brighton and Hove Council, and Chair of LGCommunications
Matt Nicholls, Head of Communications Support and Improvement, LGA

Health checks are improvement-orientated and tailored to meet individual councils' needs. They are a 'snapshot', designed to complement and add value to a council's own performance and improvement focus.

The peers used their experience and knowledge to reflect on the evidence presented to them by people they met and material that they read. It is important to point out there will be aspects of your approach to communications that were either outside our remit or we did not have sufficient time to explore.

This health check was commissioned by Karen Wheeler, Director of Strategy, Communications and Customer Services, with support from the political and officer leadership.

An LGA communications health check was delivered for Thurrock Council in May 2017. Following a restructure of the communications function and with the council's communications strategy about to be refreshed, it was felt now was an opportune time to assess progress made since the last health check. We were also asked to provide feedback on:

- The council's relationship with the local media
- Initial thinking on the communications strategy refresh
- Effectiveness of communications resources to deliver the strategy and priorities
- The council's digital communications

During the health check we spoke to:

Cllr Rob Gledhill	Leader of the Council
Lyn Carpenter	Chief Executive
Karen Wheeler	Director of Strategy, Communications and Customer Services
Cllr Deborah Huelin Cllr James Halden Cllr Aaron Watkins Cllr Barry Johnson	Portfolio Holders
Cllr John Kent Cllr Fraser Massey Cllr John Allen Cllr Gary Byrne	Group Leaders
Mary Patricia Flynn Scott Morrow Rebecca Horne Laura Keens Lewis Jones Cindy Walker Faye Gregory Kirsty Kerr James Stitson	Communications team members
Louise Banks (CCG) Perry Glading (Thurrock Business Board)	Partners
Julie Rogers Ian Wake Natalie Smith Anna Eastgate Stephen Taylor Cheryl Wells Tina Dempsey Daniel Jones Naintara Khosla Malcolm Taylor	Directors and Assistant Directors/ Strategic Leads
Neil Speight (Thurrock Nub News) Claire Sawyer (BBC Essex) Steve Shaw (former Local Democracy Reporter)	Local media

We undertook to write to you to confirm our findings, building on the feedback provided to you on the last day of the health check and expanding upon those areas that we highlighted as likely to benefit from some further attention. This summary report sets out those findings.

4. Context – the importance of strategic communications

Good communications supports the delivery of everyday services that people need and value and can play an increasingly crucial role in transforming and saving lives. A healthy local democracy is built upon councillors campaigning for and representing their communities; they need to be kept informed in order to fulfil that role. To fulfil their statutory responsibilities and to protect the public, councils need to ensure residents, staff, businesses and partners are communicated with effectively.

Effective communications relies on a mix of communications channels, including **media relations** (producing media releases and statements for distribution to local, regional, national and specialist media and responding to queries from the media), **direct communications** to residents (leaflets, publications, social media) and **internal and partner communications** (working with employees, Members and stakeholders to ensure everyone gets consistent, timely information about the organisation to help them do their jobs effectively and advocate on behalf of the organisation). Successful communications campaigns use a mix of all these communications channels, delivered to identified target audiences and robustly evaluated.

Building trust and confidence, and through that, strengthening relationships with citizens, stakeholders and staff, should be the starting point for any successful organisation. To succeed it requires recognition of the importance of strong strategic communications to act as a trusted advisor, navigator and leader.

Local authorities that do not adequately recognise the importance of strategic communications in terms of resources, skills and its place in the structure, are likely to be the ones that struggle the most to connect with their residents, staff and stakeholders.

Good communications should:

- Articulate the ambition for your area
- Improve corporate and personal reputation
- Support good political leadership
- Help engagement – residents, partners and staff
- Build trust
- Rally advocates
- Drive change and deliver savings
- Attract investment (and good people)
- Be used to manage performance
- Strengthen public support and understanding

It is delivered through:

- **Leadership** – clarity of purpose and commitment
- **A distinctive brand** – what you stand for, values and trust
- **A clear vision**
- Being **authentic** to your local area
- Adopting a **strategic approach to communications** - communication without strategy does not work
- Developing a corporately agreed, fully evaluated **annual communications plan** - not just sending out ad hoc stuff
- Making sure all communications activity is based on **research and insight** and that campaigns are linked to corporate priorities and resourced accordingly
- Investing in **evaluation**
- Ensuring communications is **owned by everyone**

5. Detailed feedback

Following the last LGA communications health check in 2017, the communications team was restructured to reflect the recommendation that it should be ‘campaign focussed and multidisciplinary’. The size of the team was also increased, which reflects the importance attached to communications by the council.

Headed by a Director who has a wider portfolio of responsibilities, the team is broadly made up of general communications officers who work across different channels, as well as separate web and design functions.

Excluding the Director, the team is comprised of 10 FTE posts. This also includes a web manager (web responsibility varies across councils, sometimes sitting within communications but often in IT or customer services). According to the LGA’s [annual heads of communication survey](#) the average size of a unitary council communications team is 9.8 FTE.

Broadly speaking, we believe the size and structure of the function is about right. There will always be a multitude of demands placed on a local authority communications team – particularly in the current climate – but Thurrock has a reasonable amount of resource and sufficient flexibility in its structure. Having a director level post which reports into the Chief Executive also means it is plugged into the leadership of the council and is strategically positioned.

The team is enthusiastic and committed to the organisation. They are bright, hard-working and seen as being creative. Many departments we spoke to were highly complimentary about the service they receive. The team is seen as proactive and good at promoting both the council’s achievements and those of the area.

The council’s communications handling of the coronavirus pandemic so far has been widely praised. It is felt there was an effective strategy in place and excellent work with partners, which is felt to have contributed to Thurrock having a relatively lower infection rate at the time of our interviews.

There are two particular strengths the team possesses which shone through our discussions – partnership working and crisis communications. The best example of both of these is the response to the lorry container deaths in 2019. Such an incident would have tested any communications team, so it is to the credit of Thurrock's that it is seen as having responded so strongly and effectively.

Communications is more outward focussed than was the case in 2017, when the amount of firefighting and long hours that resulted from it meant that people rarely had time to get out of the office. The team attends LGA events, the weekly Essex Communications Group meetings and the annual Public Services Communications Academy.

The council has adopted a more campaign led approach to its communications in the last three years and placed a greater emphasis on being proactive. However, whilst this was appreciated by many services we spoke to, members did not feel this was the case and often felt in the dark about campaign activity.

Monthly communications evaluation reports are produced, although knowledge of their existence was patchy. The team would benefit from presenting the information every month to senior management and members in order to raise their profile in the organisation.

Examples of evaluation we saw – for campaigns and the monthly reports – was very much focussed on communications outcomes directly related to social media activity. For example, the number of likes and posts which received highest levels of engagement. This data is useful and important, but there needs to be a greater focus on actual service-based outcomes deriving from communications activity.

Evaluation is a key component of a modern, strategic communications function and will allow the council to assess the impact of its communications. It also provides communications teams the data and evidence needed to improve their work, refine their channel use and use limited resources more effectively.

Although the team does agree SMART objectives with services at the beginning of a campaign, we would encourage them to make use of the [Government Communications Services' OASIS campaign planning model](#). This approach is considered best practice across public service communications and will help ensure the impact of campaign work is better understood across the council.

There was a sense from some people we spoke to that whilst the team is very good in a crisis situation, there could be a more proactive approach to some reputational issues.

While departments across the council value the service they receive from the communications team, there is frustration about the inability to sometimes get the basics right. We were told on several occasions that press releases are often drafted with spelling errors and other inaccuracies. Whilst these issues might seem minor, for the reputation of a communications team they really do matter. People will be less likely to listen to advice, and otherwise high-quality work is tarnished. We would encourage the team to make some small changes to their processes, perhaps just

by having an extra pair of eyes looking at something before it goes for sign off, to help prevent any errors.

Internal communications is an area which is seen as having substantially improved. A review was undertaken in 2018, and new channels were introduced including a regular blog from the Chief Executive and a refreshed #TeamThurrock weekly e-newsletter. Content is felt to be far more engaging, which is evidenced by the high open rates for the staff e-newsletter. A new intranet has been launched which is significantly better. Some concerns were expressed about the ability of staff without a computer to access information, although work is done to engage with non-office based staff. There was also a sense that internal communications could be more robustly linked to the council's People Strategy, although we had limited time to assess this.

Digital communications

We were asked to provide a perspective on the council's digital communications. Again, there have been improvements. A forward plan is now in place, whilst in 2017 there was little or no planning in place for posting content.

The communications team has improved its use of video. This is now a key channel for campaigns, public health information and also for messages from cabinet members. We would encourage the council to think more about how residents can play a greater role – authentic local voices are potentially powerful ways of conveying important messages and telling the Thurrock story. To illustrate this point, virtually all of the content on the council's YouTube channel is footage of council meetings.

The council has a presence on Twitter, Facebook, Instagram and LinkedIn. Content is posted regularly, and good use is made of clear imagery. However, the tone is very broadcast and corporate. Engagement levels with most posts are low, and there does not appear to be any attempts to develop two-way conversations on the council's channels.

Although it is welcome that the council is investing less time in online 'firefighting' than was previously the case – and not responding to every single criticism – there is a balance to be struck. With appropriate training, it is worth exploring whether some services could be allowed to post on the council's social media accounts. Although we did not have sufficient time to explore this in detail, allowing the customer services team to respond to more routine resident enquiries online would also be beneficial.

It is worth noting that content across the council's Twitter and Facebook accounts is broadly the same. Different platforms attract a different type of user and they would in turn usually be interested in different types of content – and be active during different hours of the day. All of this should inform what is posted, where, and when. A basic example would be that Twitter is better for 'breaking news' and Facebook works more effectively for community type and hyperlocal content. Essex County Council has done some very good work to engage with community groups on

Facebook, and so there is potential learning to be explored via the Essex Communications Group.

A definite success story for the council's digital communications is the Thurrock News e-newsletters during the pandemic. A decision was taken to send the newsletter to all email addresses the council possessed via My Account sign up – more than 100,000 – due to the public health emergency. Up to 50,000 residents opened the weekly email, which is a very high level of engagement. Whilst this is undoubtedly related to the unique circumstances of coronavirus, it does demonstrate the council has the ability to reach out and communicate with large parts of the community using its own channels. We would recommend ambitious targets are set to grow the number of subscribers to Thurrock News, with an accompanying strategy for doing so.

The council also has a dedicated housing e-newsletter, which has achieved some strong levels of engagement. Business Buzz, a communication for businesses in Thurrock, is produced by the economic development team with communications support.

More broadly, we were told the council enjoys a strong reputation amongst the business community. To reiterate the earlier point about effective partnership working, Thurrock is seen as an open, approachable authority and the communication flow is seen by businesses – of all sizes – as working well.

Local media

The relationship between the council and its local media is widely viewed as requiring improvement.

Journalists feel that the time it takes for enquiries to be answered is too long, and also complained that sometimes these are unanswered and not even acknowledged. The communications team is also not seen as being as approachable as some of their counterparts in Essex, which has resulted in journalists approaching councillors directly for comment or interview.

It is important to stress that not every single query from the media requires the council to respond, but it would be better to ensure this is always explained from the outset. A priority system for triaging enquiries, and keeping the media updated on the progress of them, would also be beneficial.

Some frustration was raised with us about Thurrock's lack of engagement with the media – compared to other councils – at the beginning of the pandemic. This could have led to some missed opportunities to reassure residents, and there is value in the council looking at how other local authorities responded in order to inform its approach over the coming months.

A lot of the problems in the relationship stem from the length of time it takes for media enquiries to be answered. The council's evaluation report for September 2020 shows that of 26 media enquiries received, only 50 per cent were answered within 24 hours.

We were told that it can sometimes take days for statements to be agreed. There was palpable frustration amongst everybody we spoke to about this – including the communications team, senior officers, members and the local media. Clearly the current system is not working. A disproportionate amount of organisational time and resource is being spent on agreeing responses to enquiries, and then having limited impact due to that delay.

The sign-off process has been slightly streamlined since the last health check, and the Chief Executive no longer has sight of all releases. However, there do still appear to be a large number of people involved in agreeing statements, which should only be the case when responding to issues of reputational risk.

We heard differing views on the cause of sign-off bottlenecks, including people taking too much time to read draft statements to others being overly cautious. It is not our role to apportion any kind of fault, but we would stress that it is a shared responsibility for all officers and members to ensure the council responds to enquiries in a timely and effective way. A more streamlined sign-off system, with defined times for people to respond, would be a useful first step. However, some of the issues are cultural as much as about process.

As we set out earlier in the report, members do not feel sufficiently supported. Many spoke highly about the relationship they have with individuals in the team, but overall, there is a sense of frustration. Mostly this can be attributed to the issues with the sign-off process detailed above. But it is also a result of members seeing criticism of the council in the local media and online, and not having confidence that there is a plan to address it. Portfolio holders do not seem to feel there is a proactive strategy in place to promote good news, which has resulted in them feeling unprotected.

The council could look to think differently to the standard issuing of press releases, such as setting up briefings between lead members and the local media as a way of generating news.

We were also told that a significant amount of time can be spent debating how best to handle criticism of the council which appears on some online outlets. There is a balance to be struck between responding to legitimate issues of concern and feeding online arguments. The key is to agree a strategy and then stick to it. This is where continuing to grow the council's channels is so important – countering criticism or misinformation is best achieved on your own terms.

It should be said that members, like officers and partners, think the communications response to COVID-19 has been very good. It is an example of where the council's communications has been joined-up and well planned. Detailed briefings for members were produced. Portfolio holders also see the council's partnership working at a communications level as working well and praised the response to the container deaths.

Key to members feeling more supported by the communications team is to move the relationship beyond signing off a press release. At the moment, it appears the issues

the team is tasked to communicate are landed on them – there is limited ability to have influence earlier in the process.

Many cabinets/executives involve their communications team further upstream in the process – for example in pre-meetings to discuss which items will go into agendas. This affords the opportunity for a strategic discussion about how subjects will be handled and communicated. It allows communicators to offer professional advice, and for members to have the confidence that issues are being effectively handled.

It is for the council to determine the best way of doing this, but we believe the wider communications team needs to have more exposure to members and to build stronger relations. Currently, this contact primarily occurs with senior officers, which can lead to other people in the team not gaining enough profile. The new ways of working which have emerged during the pandemic, and the growth of virtual meetings, offer enhanced opportunities for closer and better relations.

Members need to gain a better understanding of how the communications team can support them. There sometimes appears to be confusion about what constitutes a political or an organisational message – when the council should respond corporately, or councillors should do so individually or as a party.

Key council decisions are communicated by press release, but there are opportunities for members to play a greater role in amplifying them. For example, a briefing could be prepared by the communications team for all councillors containing key messages and social media assets that could be used on their own channels.

Refreshed communications strategy

The development of a new communications strategy provides a real opportunity for both officers and members to work together and chart a course for how the council will communicate in future.

We would recommend members are closely involved in co-designing the strategy. The council may wish to consider an externally facilitated workshop for portfolio holders and officers to help with this. The LGA has run similar sessions for other councils, using member and officer peers, and we would be happy to help.

As set out earlier in the report, a significant problem with the current approach to communications is a lack of insight into how local residents access information about the council. We heard many different opinions about the value of concentrating resources on the local media versus the council's own channels, but without evidence they are just individual opinions.

The council has discontinued its resident survey, but at the very least we would strongly encourage it to commission research into how local people wish to be communicated with. This kind of evidence is particularly important as we combat coronavirus, as different messages need to be tailored to different audiences and demographics. Knowing the most effective ways of communicating with these groups is vital.

Resident insight should form the basis of the council's refreshed strategy. The LGA has published [guidance on carrying out a 'who reads what?' survey](#) and would be happy to help with the commissioning of research.

The 2017-20 strategy has been effective at setting out the direction of travel and principles to guide the council's communications. However, it lacks measurable targets and objectives to establish the success of this activity. To use digital communications as an example, these could include 'grow audiences by X% within the next 12 months', increase overall engagement levels with X% over the next 12 months' and/or 'increase newsletter signups from social media with X% compared to previous year'.

We also believe the new strategy should include the annual campaign plan, which was introduced in 2018 and which is considered best practice in local government. This annual plan allows the council to set out its priority areas for communications activity, with agreed budgets. It would of course need to be flexible to respond to events – as 2020 has shown – but an annual plan helps everyone across the organisation understand the council's campaign priorities for the year.

The strategy can also be a platform for the council to set out how it will articulate its vision, both for the organisation and the place. There was a sense from people we spoke to – both within the council and outside it – that although Thurrock has a very strong story to tell, it is not always being heard. The organisation was shortlisted for the MJ council of the year award twice, and there are many exciting developments afoot in the area. There are real opportunities to shape a more positive narrative around these achievements.

6. Conclusion

Through this review we have sought to highlight the positive aspects of the organisation's approach to communications, as well as outlining the challenges. We have drawn on our experience of working with councils across the country to review Thurrock's communications in the context of best practice in the sector.

The LGA's [#FutureComms resource](#) sets out how a more integrated, innovative and strategic approach to communications can help councils engage with residents, change behaviours and meet the challenges of the future. It also details what good looks like in modern public sector communication, and has been designed to support leaders, senior managers and communications teams.

Gary Hughes, as the Principal Adviser for the region, will continue to act as the main contact between the council and the Local Government Association, particularly in relation to improvement and access to the LGA's resources and packages of support going forward. Gary's contact details are gary.hughes@local.gov.uk

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Appendix 2 - LGA Communications Health Check – October 2020 - Draft Response and Action Plan

Recommendations	Response/Action	Completion Date
COMMUNICATIONS STRATEGY		
Commission a 'who reads what?' survey to establish how Thurrock residents consume news and prefer to.	A consultation which contains a combination of the LGA's pre-set and Thurrock specific questions will commence this month.	March 2021
Consider commissioning an externally facilitated workshop involving members and officers to help develop the new strategy.	The LGA are facilitating a workshop with Cabinet members and officers to help develop the new communications strategy on 2 March 2021.	March 2021
Use the new strategy to set out how the Thurrock story will be communicated.	The new communications strategy will provide a framework for the wider Thurrock narrative. It will incorporate elements of the council's vision and priorities as well as provide an overarching narrative which sits above existing successful campaigns such as Transforming Thurrock.	June 2021
Ensure the refreshed communications strategy includes measurable objectives and an annual campaign plan.	<p>A campaign plan for 2021/22 will be included alongside the new communications strategy, this will be updated annually for the duration of the strategy.</p> <p>All communications campaigns will include measurable objectives and regular evaluation reports on all communications activity will be produced.</p> <p>A forward plan/calendar of all celebratory days and events will be agreed for the 2021/22 municipal year – this will include national days as well as awareness weeks that the council is actively supporting</p>	June 2021
LOCAL MEDIA		
Consider more productive ways of engaging the local media (e.g. briefings) rather than relying on press releases.	<p>This will be discussed with members at the upcoming LGA facilitated workshop and agreed approach reflected in the communications strategy.</p> <p>The local media will also be consulted to inform the approach.</p>	June 2021

Recommendations	Response/Action	Completion Date
Establish a priority system for triaging queries, keep media updated on progress of queries and explain when a query will be answered or why no response is to be issued if that needs to be the case.	<p>A new process has been implemented which sees a standard response acknowledging receipt of an enquiry. Further refinements to this system will be implemented after discussion and the upcoming LGA facilitated workshop.</p> <p>In January, the communications team received 31 media enquiries – 21 from local media, 3 from regional media and 7 from national media. Enquiries can often be complex, involving several different services across the council, and 52% were responded to within 24 hours.</p>	March 2021
Agree a strategy for how the council engages with online news outlets and stick to it.	This will be discussed and agreed with Cabinet members at the upcoming LGA facilitated workshop.	March 2021
PROCESSES		
Replace the current sign off process for media statements with a simpler system which reduces the number of people involved and includes timeframes for both officers and members to agree lines.	The sign-off process has been reviewed and changes implemented, this will be further discussed and refined in consultation with the Portfolio Holder for Communications.	June 2021
Involve the communications team in the council's decision-making process at an earlier stage to improve relationships and trust with members.	Members of the communications team attend all Directorate Management Team meetings and Portfolio Holder meetings for a dedicated communications slot to assist with forward planning. A weekly comms look ahead meeting takes place with the Leader and PFH for communications. Members of the communications team also participate in strategic project meetings as appropriate.	Ongoing
Introduce a more outcome focussed approach to evaluating communications activity (e.g. the impact of a campaign rather than the number of 'likes').	<p>A review of our evaluation has taken place and services are now more engaged with the evaluation process at an earlier stage, meaning that comms objectives are more clearly linked to service objectives and direct outcomes can be more clearly measured and demonstrated.</p> <p>An updated monthly evaluation report format has been introduced.</p>	January 2021

Recommendations	Response/Action	Completion Date
Try and cut out the little errors (i.e. mistakes in draft press releases) which have an impact on the communications team's reputation.	New processes are in place which include building in time for extra proof reading and making sure all draft copy is seen by at least a second pair of eyes prior to final sign off.	January 2021
ENEWS		
Focus more on the council's own communications channels which are read by more people (e.g. e-newsletters).	<p>This approach will be built in to the new communications strategy. Our main Thurrock News enewsletter currently goes to almost 102,000 people and frequently has an open rate of over 50%, well above average for a local authority enewsletter.</p> <p>Our Facebook page has 11.1k likes and our top performing posts can achieve a reach of almost 70k people, with impressions (the number of screens our posts appear on) hitting up to 150k.</p> <p>Our Twitter account has 13.3k followers and regularly sees impressions (the total number of times a tweet has been seen) of 300k.</p> <p>Our LinkedIn (4.7k) Instagram (1.5k) follower numbers continue to grow from month to month, and our YouTube channel is also growing in subscriber numbers.</p>	June 2021
Set ambitious targets for increasing the number of subscribers to the council's Thurrock News e-newsletter and develop a plan for achieving this.	A plan is currently being developed for this, and will be included in part of our overall approach in the new communications strategy.	June 2021
SOCIAL MEDIA		
Consider if customer services can support more with social media responsibilities by managing day to day enquiries received on that platform – and whether other departments can also play a greater role in creating content.	Training has taken place with some members of the customer services team who can take a role in answering specific service request based queries which come through on social media. Training has also previously and continues to be provided to staff who taken an active role in developing content for service specific Facebook pages such as the Fostering page.	March 2021

Recommendations	Response/Action	Completion Date
	The communications team actively monitor and respond to social media comments on emergency or significant issues with recent examples including flooding, changes to national COVID restrictions and local COVID-19 testing arrangements.	
Get to know your social media platforms and audiences better, and avoid posting the same content across all channels.	Work is underway on reviewing our approach to content across Twitter, Facebook, Instagram, LinkedIn and YouTube, it is being informed by the latest Ofcom Adults' Media Use & Attitudes report and the ongoing 'who reads what' survey. The outcome will be reflected in the new communication strategy.	June 2021
Introduce more local faces to social media and video content.	<p>Work is underway through our partnership work with Stronger Together and Business Board as well as other community links to include more trusted local figures in our video content.</p> <p>Content from pupils at Woodside Academy, Belmont Castle Academy, St Thomas of Canterbury Catholic Primary School and Reverend Canon Darren Barlow were included in the January Holocaust Memorial Day.</p> <p>Ways to enable all Members to share the council's social media content more easily are being explored.</p>	Ongoing from January 2021

9 March 2021	ITEM: 7
Corporate Overview and Scrutiny Committee	
Quarter 3 (April to December 2020) Corporate Performance Report 2020/21	
Wards and communities affected: All	Key Decision: Non-key
Report of: Karen Wheeler, Director of Strategy, Communications & Customer Services	
Accountable Assistant Director: n/a	
Accountable Director: Karen Wheeler, Director of Strategy, Communications & Customer Services	
This report is public	

Executive Summary

This is the quarter 3 corporate performance monitoring report for 2020/21 covering April to December 2020.

This report provides a progress update in relation to the performance of those KPIs, including a focus on some specific highlights and challenges. It details the statistical evidence the council will use to monitor the progress and performance against the council's priorities.

At this unique and unprecedented time, this report shows that two thirds of indicators are currently achieving target and 55% are better than or the same as the previous year. This is a similar picture to that in Quarter 1 which also coincided with a period of national lockdown/significant restrictions. Whilst performance improved during quarter 2, when restrictions eased, the worsening COVID situation during late autumn and running up to Christmas has had another adverse impact, and is likely that this will continue to the end of year outturns.

Many indicators have been directly or indirectly impacted by the coronavirus pandemic - for example, the increased demand on adult social care teams with redeployment to the highest priority areas at the same time as significantly reduced capacity due to staff sickness and self-isolation - and the enforced changes to council services in line with government guidance during this period – for example the temporary suspension of choice based lettings in the first national lockdown impacting the re-let times of void council houses. The report also highlights how COVID-19 has disrupted or changed performance and/or priorities and demand levels across a number of services.

1. Recommendation(s)

1.1 To note and comment upon the performance of the key corporate performance indicators in particular those areas which are off target and the impact of COVID-19.

1.2 To identify any areas which require additional consideration.

2. Introduction and Background

2.1. The performance of the priority activities of the council is monitored through the Corporate Key Performance Indicator (KPI) framework. This provides a mixture of strategic and operational indicators.

2.2. The indicators have been chosen to be as clear and simple to understand as possible, whilst balancing the need to ensure the council is monitoring those things which are of most importance, both operationally and strategically.

2.3. This reflects the demand for council services increasing and being ever more complex, not least due to the impact of the coronavirus pandemic, and the need for a holistic approach to monitoring data and intelligence. Analysis of performance and internal processes at service level by Directors continued monthly throughout 2019/20 and will continue throughout 2020/21.

2.4. These indicators will continue to be reported to both Corporate Overview and Scrutiny Committee and Cabinet on a quarterly basis, throughout 2020/21.

2.5. In line with the recommendation from Corporate Overview and Scrutiny Committee in June 2019, throughout 2020/21, where performance is below target, commentary will be included to show the intended improvement plan. This is included in Section 3.6 as the "Route to Green".

3.1 Issues, Options and Analysis of Options

This report is a monitoring report, therefore there is no options analysis.

3.2 Summary of Corporate KPI Performance

Quarter 3 2020/21 Performance against target	
Achieved	66% (23)
Failed	34% (12)

Direction of Travel compared to 2019/20	
↑ BETTER	29.4% (10)
→ STATIC	14.7% (5)
↓ WORSE	55.9% (19)

3.3 Impact of COVID-19

- 3.3.1 The Quarter 3 (April to December 2020) overall outturn of 66% is similar to the overall percentage of KPIs achieving target experienced in Quarter 1 (April to June 2020) which was impacted by the first national lockdown. In Quarter 2 (April to September 2020), coinciding with the easing of national restrictions, the overall outturn on target went up to 75%. The Quarter 3 data overlapped with the tiered system of restrictions and in November the national partial lockdown, including when Thurrock was placed in Tier 4. It is anticipated that, due to the current national lockdown, COVID impact and other winter pressures throughout January, February and potentially in March, several of the indicators will end this year under target.
- 3.3.2 The narrative in section 3.6 highlights where performance has been and continues to be affected during 2020/21. In several cases, it is unlikely that, because of the ongoing pandemic, these indicators will improve sufficiently to reach their target by the end of the year, and commentary is included later in the report.
- 3.3.3 In some cases data is still not available either because the data is not currently being recorded due to other priorities e.g. for Public Health or because that service/activity is not currently operating, in line with government guidance. This is summarised in section 3.7.
- 3.3.4 As confirmed in the mid-year report, in most cases the targets for 2020/21 have been set based on “normal” circumstances. This is likely to mean that more indicators will not “perform” as well as they did in 2019/20, and/or the rate of improvement will not be as great. This is highlighted by there being 56% of indicators this quarter where the direction of travel is shown to be worse than last year. The decision to keep most targets comparable with last year is to more clearly analyse the impact of the disruption caused by the pandemic. Where an indicator has failed to reach its target during the year, the commentary provided clearly identifies if this is related to COVID-19 impacts.
- 3.3.5 It is impossible to predict accurately how long and to what extent service delivery in some areas will continue to be impacted, although it is now likely that where indicators have not reached their in year targets due to COVID impacts, that they will not be able to reach their end of year targets, given the ongoing challenges. This is being further affected by the need to mitigate against the wider capacity and financial pressures which COVID has brought about, including the need to hold vacant posts and the ongoing recruitment restrictions. This is likely to have an increasingly significant impact on service delivery going into 2021/22. This will be kept under close monitoring.
- 3.3.6 Any targets for health and social care indicators which are part of the Better Care Fund have not been agreed with NHS England as this process is currently suspended due to COVID-19 priorities. These targets can be taken as confirmed unless notification is received from NHS England that the targets need to change.

3.4 On target performance

Two thirds of available corporate KPIs achieved their targets.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Qtr 1	Qtr 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Permanent admissions of older people (aged 65+) to residential and nursing care homes per 100,000 population	Cllr Halden	739.7 per 100,000	87.3 (21)	261.8 (63)	336.6 (81)	394.8 (95)	436.4 (105)	436.4 (105)	ACHIEVED	BETTER	561.0 (135)	739.7 (178)
Number of applicants with family commitments in Bed & Breakfast for six weeks or more (ie those presenting as homeless who have dependent child(ren) or are pregnant)	Cllr Johnson	3	0	0	0	0	0	0	ACHIEVED	BETTER	0	0
% of potholes repaired within policy and agreed timeframe	Cllr Maney	99.33%	100%	100%	100%	100%	100%	100%	ACHIEVED	BETTER	98%	98%
% of repairs completed within target	Cllr Johnson	98.3%	99.5%	99.1%	97.9%	96.7%	97.3%	98.5%	ACHIEVED	BETTER	95%	95%
Average time (in days) for a child to be adopted (3 year average) (ie time between entering care and moving in with adoptive family)	Cllr Halden	426 (2017-20)	426 (Q4 2019-20)	426 (Q1)				341 (provisional Q2)	ACHIEVED	BETTER	426 days	426 days
% of young people who reoffend after a previously recorded offence	Cllr Halden	11.0%	13% (Q4)	3% (Q1)				7% (Q2)	ACHIEVED	BETTER	13%	13%
% of primary schools judged "good" or better	Cllr Jefferies	92.0%	92.3%	92.3%				92.3%	ACHIEVED	BETTER	92% (prov)	92% (prov)
Street Cleanliness - a) Litter	Cllr Watkins	6.56%	3.67%	5.00%				5.17%	ACHIEVED	BETTER	9%	9%
% Initial Health Assessment (IHA) completed within 28 days (20 working days) of child becoming Looked After	Cllr Halden	69.2%	66.7%	85.7%				80.0%	ACHIEVED	BETTER	80%	80%
% of Minor planning applications processed in 8 weeks	Cllr Coxshall	100%	100%	100%	100%	100%	100%	100%	ACHIEVED	STATIC	90%	90%
Overall spend to budget on HRA (£K variance)	Cllr Johnson	£0	£0	£0	£0	£0	£0	£0	ACHIEVED	STATIC	£0	£0
% occupancy of commercial properties	Cllr Coxshall	92%	88%	92%				92%	ACHIEVED	STATIC	88%	88%
Overall spend to budget on General Fund (% variance against forecast)	Cllr Hebb	0	(£2.2m)	(£2.67m)				£0m	ACHIEVED	STATIC	0	0

Indicator Definition	Portfolio Holder	2019/20 Outturn	Qtr 1	Qtr 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Number of events and activities in libraries that support engagement in a range of cultural, social and learning opportunities to support well-being and strengthen community connections (total sessions provided YTD)	Cllr Huelin	<i>n/a – new in 2020/21</i>	0	104				219	ACHIEVED	N/A	200	300
% of secondary schools judged "good" or better	Cllr Jefferies	<i>n/a</i>	63.0%	63.0%				63.0%	ACHIEVED	N/A	63% (prov)	63% (prov)
Proportion of people using social care who receive direct payments	Cllr Halden	36.2%	36.6%	34.7%	35.0%	34.5%	35.6%	35.6%	ACHIEVED	WORSE	34%	34%
% of Major planning applications processed in 13 weeks	Cllr Coxshall	100%	89%	94%	100%	100%	100%	97%	ACHIEVED	WORSE	90%	90%
Tenant satisfaction with Transforming Homes	Cllr Johnson	86.9%	83.3%	85.3%	100.0%	76.9%	85.7%	85.7%	ACHIEVED	WORSE	85%	85%
No of placements available within council for volunteers	Cllr Huelin	225	205	230				223	ACHIEVED	WORSE	200	210
% of volunteer placements filled within council	Cllr Huelin	96%	100%	92%				94%	ACHIEVED	WORSE	94%	96%
Successful completion of treatment in Young People's Drug & Alcohol service (YTD)	Cllr Mayes	88%	78%	80%				85%	ACHIEVED	WORSE	70%	70%
Number of new Micro Enterprises started since 1 April 2020	Cllr Huelin	44	5	10				15	ACHIEVED	WORSE	10	20
% occupancy of council-owned business centres	Cllr Coxshall	91%	90%	93%				83%	ACHIEVED	WORSE	80%	80%
Value (£) of council owned property disposals	Cllr Coxshall	£470k	£350k	£460k				£460K	n/a	WORSE	no target	no target

3.5 In focus highlight for Quarter 3

Indicator Definition	Portfolio Holder	2019/20 Outturn	Tranche 1	Tranche 2	Tranche 3	Overall	Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Street Cleanliness - a) Litter	Cllr Watkins	6.56%	3.67%	5.00%	5.17%	4.61%	ACHIEVED	BETTER	9%	9%
Street Cleanliness - c) Graffiti	Cllr Watkins	4.67%	6.00%	1.33%	3.67%	3.67%	FAILED	BETTER	3%	3%

These indicators measure the proportion of land which had unacceptable levels of litter and graffiti. This is assessed independently by Keep Britain Tidy.

Over the last year, the litter scores from the Keep Britain Tidy (KBT) inspections have been well within the target set. Since 2018/19 when the score was 10.06%, the results have shown a consistent improvement with 2019/20 being 6.56% and the latest result of 2020/21 being 4.61%. This shows that the cleanliness of our borough has improved. Over this time, the service has trained team leaders and staff in the standards that are used by KBT. This has meant that staff understand what is required to attain the highest standards in street cleansing. Part of this is litter-picking further back into the verge or hedge and removing all of the litter that can be seen. The service have also worked closely with the local community litter picking groups and will be looking to build upon this further in the next year.

The graffiti score for this year was 3.67% and whilst we missed the target of 3%, there has been a dramatic improvement in the amount of graffiti within the borough especially from the first tranche score of 6%. There have been a small number of prolific “taggers” who have been defacing the borough and this has disproportionately affected the score. The service has been working closely with the enforcement team to achieve positive results which has included a successful prosecution of a graffiti tagger and will continue to work with the enforcement teams to provide evidence for further action to be taken. The Clean and Green teams have been carrying out large scale clearances of graffiti, most notably in Tilbury where the local community were really pleased with the work conducted and the improvement in the appearance of the area. The team will continue to carry out large scale clearances into the next financial year.

3.6 Off target indicators

At the end of quarter 3, 12 of the available indicators failed to meet their target.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
No of new apprenticeships started (including staff undertaking apprenticeship) (excluding LA maintained schools)	Cllr Huelin	69	2	9 (11)	4	3	5	12 (23)	FAILED	WORSE	24	61

The COVID-19 pandemic has severely impacted the ability of the organisation to offer new apprenticeships or have the capacity to upskill staff via apprenticeships. The council had to establish new virtual processes for recruitment and interviews and was unable to hold the usual face-to-face apprenticeship recruitment events in July which has had an impact on the process and numbers. However, a virtual event was held in November 2020 and a number of apprentices successfully recruited. Services have understandably been more cautious about offering apprenticeships wanting to ensure they have the capacity to fully support them to succeed. This is especially the case for those areas directly involved in the ongoing COVID response and where services have had to close or significantly change working practices significantly.

Route to GREEN

Quarter 4 will be a stronger quarter with the start of those apprentices who were successful at our recruitment event in November, a cohort of 8 LGV driver apprentices, 2 new social worker apprentices and a number of apprentices moving on to new level 3 apprenticeships after successfully completing their level 2 qualification. However further recruitment of new apprentices is expected to be stunted compared to previous years. This is in line with what is being seen nationally with apprenticeship levels down 20% on the previous year.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Total gross external income (fees & charges) (based on sales forecast)	Cllr Hebb	£8m	£5.2m	£5.1m				£5.4m	FAILED	WORSE	£7.5k	£7.5k

This is being monitored and reported to members on a regular basis as part of the COVID-19 impacts. Please refer to separate financial reports reported to this committee for full detail.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Proportion of older people (65+) still at home 91 days after discharge from hospital into reablement/ rehabilitation	Cllr Halden	87.40%	93.1%	89.6%				85.7%	FAILED	WORSE	86.3%	86.3%
<p>Performance is only 0.6% under target and is still performing well against the latest England average (82.0%) and regional average (84.7%). Out of 56 older people discharged from hospital to reablement in the period, 48 were at home on the 91st day. Of the 8 individuals who were not at home, 4 had passed away, 3 were in hospital and 1 had moved to residential care. The average age of those not at home was 84 years old.</p> <p>COVID has undoubtedly had a significant impact on the reablement service as more individuals, particularly older people, are likely to be unwell and require hospital/residential care admissions or unfortunately pass away. It is a testament to the hard work and dedication of the teams involved that the figure is only just below target given the increased demand coupled with significantly reduced capacity in services due to COVID (higher levels of staff sickness and self-isolation) and the ongoing fragility of the home care market.</p> <p>This has resulted in the reablement services being unable to carry out as much reablement as usual and have been required to provide increasing amounts of home care in order to meet demand. In addition, the Joint Reablement Team has seconded staff to Oak House, the council's designated care home for COVID-positive patients which has further reduced capacity in the team. The Bridging Service, which also provides some reablement, is primarily a hospital discharge service and therefore has been concentrating efforts on discharging patients from hospital to ease pressure on the NHS rather than focusing on reablement.</p> <p>Whilst reablement aims to improve independence to keep individuals at home for longer, some individuals have health conditions that might mean that full independence is not possible. Individuals can also have a loss of independence after reablement has taken place due to new conditions or changes in circumstances. Therefore even though some individuals may not be at home on the 91st day, this is not necessarily a reflection of the effectiveness of the service.</p> <p>NB for the purposes of the national indicator only Quarter 4 (as a snapshot) is taken as the final year-end position for 2020/21.</p>												
Route to GREEN												
<p>The service will continue to respond to the COVID-19 pandemic and use the resources including the Joint Reablement Team and Bridging Service in the most effective way possible to facilitate hospital discharge, meet demand and support individuals. Work continues to further stabilise the care market which has included extending the Bridging Service and the identification of new home care providers that Thurrock can offer spot contracts to. Monitoring of reablement will continue to take place to review the impact the current situation is having on the services.</p>												

Indicator Definition	Portfolio Holder	2019/20 Outturn	Spring Term	Summer Term	Autumn Term	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
% of places accessed for two year olds for early years education in the borough	Cllr Jefferies	73.0%	72.6%	61.8%	71.3%	FAILED	WORSE	73% (prov)	73% (prov)
<p>The COVID-19 pandemic continues to have a significant impact on the take up of the Two Year Entitlement. Some parents have either declined or delayed accessing their funding. Although there was a short lockdown during this term, private, voluntary and independent (PVI) childcare offers remained open. Towards the end of term there was an increased impact of available placements at settings where either staff or children tested positive for COVID. Take up for the autumn term during the previous three years was increasing steadily – 77% for 2017; 85% for 2018 and 88% for 2019 (please note that these are end of term figures). By the end of autumn term 2020 claims had been made for a total of 580 children. This equates to 71.34% take up when measured against 813 families on the August 2020 DWP list. Although a significant drop, take up for the East of England is 71%; statistical neighbours 67%; England 69%.</p>									
Route to GREEN									
Once COVID restrictions are no longer impacting the take up rates, it is anticipated that these will rise again. The service will continue to monitor and manage impact of COVID.									

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Payment rate of Fixed Penalty Notices (FPNs)	Cllr Gledhill	55.97%	52.19%	50.52%	52.6%	47.9%	48.8%	49.86%	FAILED	WORSE	70%	70%
<p>Payment rates are low as recipients of FPNs are either stating that they are unable to pay due to being furloughed with lower income or recently being made unemployed. The council has also received a significant amount of requests for extensions to payments which are being approved. Where fixed penalty notices are not paid, these are processed through the court.</p>												
Route to GREEN												
<p>The situation is being closely monitored with plans to revert to the processes relating to chasing payments for FPN's as soon as the pressures of COVID 19 and longer term financial impacts of the pandemic have settled. In the interim the service continue to sensitively chase payment, and ultimately progress the cases to court when payment terms are not met.</p>												

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
% Household waste reused/ recycled/ composted	Cllr Watkins	33.23%	31.80%	33.86%	29.76%	29.55%	25.98%	28.43%	FAILED	WORSE	37.45%	41%
<p>Through-put levels at Linford Housing Waste and Recycling Centre (HWRC) have been lower than seasonally expected as residents have not been visiting the site as much in response to the continued national and local lock-down measures in place. The HWRC is a key source of recycling materials. Additionally, both refuse and recycling collections continue to see increased presentation levels and weights as residents continue to remain at home through the lock-down periods. Whilst tonnages of both waste streams have increased, the rate and quality of the recycling materials being collected from households has not kept pace with the increase in residual waste, adversely impacting performance against this indicator.</p>												
Route to GREEN												
<p>The renewed Waste Strategy that was approved in 2020, outlines a number of changes to the service, as well as non-collection related initiatives, such as the development of a re-use centre, that are all planned specifically to address the low recycling rate in Thurrock. Some of the key work that is already underway relates to the introduction of recycling facilities for those residents living in flats. In addition, garden waste collection - which has been temporarily suspended since Thursday 7 January in order to concentrate on providing the weekly refuse and recycling collections – is hoped to be able to resume on 8 March.</p>												

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
% of refuse bins emptied on correct day	Cllr Watkins	98.91%	97.01%	72.89%	98.38%	97.10%	99.37%	98.28%	FAILED	WORSE	98.50%	98.50%
<p>The continued impacts of COVID-19 on staff-availability levels e.g due to the need to self-isolate, has contributed to the teams experiencing difficulties in maintaining delivery of service, which has seen KPI levels below expected levels. This, in turn, resulted in the temporary forced suspension of garden waste collections until such time as resource-levels return. The intention being to preserve the standard of service delivery for residual waste and recycling collections.</p> <p>Furthermore, with residents working from home during the lockdown, there has been an increase in presentation rates and the weights of bins. These increased tonnage levels impact on the available capacity within the service which in turn results in roads not being collected on the scheduled collection days.</p>												

Route to GREEN

The project reviewing the waste rounds to ensure that they are balanced and achievable has commenced and will have a long term impact on the stability and resilience of the service. In the short-term staff levels continue to be closely monitored with all options available in a time of lockdown being considered to ensure that collection rates stabilise.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Number of health hazards removed as a direct result of private sector housing team intervention	Cllr Johnson	1,000	8	212	151	93	66	522	FAILED	WORSE	750	1,000

COVID-19 continues to affect property inspections in private rented homes despite the service following MHCLG guidance for local authorities to enforce standards in private rented properties and carrying out Housing Health and Safety Rating System part 1 inspections to keep rented properties safe. The service has received fewer complaints overall about private landlords during this period, which anecdotally is partly due to residents worries about COVID. Some tenants are preferring housing staff to carry out inspections by telephone, photographic evidence and video calls.

Route to GREEN

The Private Housing Service is continuing to monitor housing conditions digitally and carrying out essential HHSRS inspections when we find the most serious category 1 hazards. The council has powers of entry which it can use to gain access to properties and carry out inspections where there is imminent harm to the tenant's health due to a serious hazard and there is a duty to inspect.

With COVID restrictions continuing to impact service delivery, it is unlikely that this indicator will reach its target by year end. However, the service will keep monitoring closely and mitigate where possible.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
Average time to turnaround/re-let voids (in days)	Cllr Johnson	25.6 days	61.17 days	54.4 days	47.07 days	42.21 days	35.8 days	50.04 days	FAILED	WORSE	28 days	28 days
<p>Owing to the impact of the COVID-19 pandemic, the resulting period of national lockdown and the associated restrictions standard void re-let times have been critically affected. This was because choice based lettings were suspended for a number of months, coinciding with the first national lockdown. This meant the properties which were void before or during the period of suspension could not be let and remained void for a much longer period of time than usual, with only a very small number of lettings through direct offers taking place in May. Therefore, following the re-instatement of choice based lettings in June, all new lets showed a longer void period than usual which impacted the average figures significantly. Therefore void re-let times have been considerably higher than usual. This has been the main issue which has impacted the year to date outturn.</p> <p>Since choice based lettings were re-instated re-let times for general needs voids, which account for around 90% of the housing stock, have steadily improved with an average re-let time for general needs voids in December of 26.3 days. However sheltered housing voids are currently taking much longer to re-let and are proving difficult to let in the current climate.</p>												
Route to GREEN												
<p>In order to improve void re-let times, a number of actions have been taken:</p> <ul style="list-style-type: none"> • The service is preparing an action plan for hard to let sheltered housing voids which includes actions on downsizing, advertising and communications. • Operational voids data has been analysed in order to identify bottlenecks in the voids process. This has identified several parts of the void process where time efficiencies can be made which has been communicated to the relevant team managers. • New dashboards have been developed which provide team managers involved in the voids process which granular performance information on the most important parts of the void process enabling them to have a better handle on performance on a more regular basis. • Going forward, data on voids performance will be presented at operational void meetings within the service. 												

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
% Rent collected	Cllr Johnson	98.5%	88.9%	93.35%	93.26%	95.08%	95.3%	95.3%	FAILED	WORSE	96%	98%

Rental income received during December was lower than normal, but this is partly due to Christmas office closures impacting payment processing (only 3 working days during Christmas week and 2 working days the following week). In addition to this, the ongoing pandemic and increase in positive cases meant that many tenants were either suffering from COVID-19 or were forced to self-isolate. The service also continues to see an increase in tenants claiming Universal Credit and this results in a delay of rent payments of 5-6 weeks, which is also impacting the data.

Route to GREEN

Prior to Christmas, the Rents Team carried out a 'Christmas campaign' in conjunction with the Communications team. This was a daily message advising tenants if they were struggling to pay their rent during the Christmas period or needed any financial support to contact the Rents team. The team have sent additional text messages to tenants who have been identified as missing payments over the Christmas period.

Indicator Definition	Portfolio Holder	2019/20 Outturn	Quarter 1	Quarter 2	In month Oct	In month Nov	In month Dec	Quarter 3 (YTD)	Quarter 3 Target Status	Direction of Travel since 2019/20	Quarter 3 Target	2020/21 Target
% General tenant satisfaction with neighbourhoods/services provided by Housing	Cllr Johnson	74.9%	75.5%	74.1%	78.0%	75.2%	76.2%	74.9%	FAILED	STATIC	75%	75%

Tenant satisfaction with the overall service provided by Housing has been on target for the last 3 consecutive months and was 76.5% for quarter 3. This has improved the year to date position from 74.1% at the end of quarter 2 to 74.9% at the end of quarter 3 and is only 0.1% under the 75% target. Whilst 74.9% of tenants are satisfied, 12.2% of tenants gave a neutral rating and 12.9% of tenants gave a dissatisfied rating. Analysis of the response data from those dissatisfied with the overall service provided by Housing demonstrates there are 3 measures which are clear drivers of dissatisfaction - that the Housing service listens to tenants' views, understands tenants' needs and is easy to deal with.

During Q3 the results and data from the STAR postal survey became available. The results have been benchmarked against Thurrock's regional peer group which includes 40 organisations in Thurrock's geographical vicinity including Basildon, Brentwood, Castle Point, Barking and Dagenham and Havering. This shows for satisfaction with the overall service provided by Housing, Thurrock's service is performing above the benchmark median and performing in the second quartile. However analysis of the response data shows a similar picture to the analysis of telephone survey data - that the measures which correlated most strongly with negative satisfaction with the overall Housing service are listening to tenants views, understanding tenants needs and keeping promises. A report containing details of the results of this survey were taken to Housing Overview and Scrutiny Committee on 19 January 2021.

Route to GREEN

The outturns from quarter 3 demonstrate that this indicator is currently on the route to green with a 0.8% net gain on the YTD satisfaction rate since Q2 and on target performance month on month in Q3. The data collected from the STAR postal satisfaction survey has enabled a much greater level of insight through analysis from a greater amount of quantitative data. This has enabled the Housing service to build a far better understanding of tenants needs. The Housing management team have reviewed and discussed the results and initial analysis of the data which has identified some actions to address some of the dissatisfaction expressed by tenants and have begun to formulate an action plan. This is an ongoing process and will evolve based on the results of further data analytics and intelligence and will be built on further over the coming months.

Some of the initial actions include overlaying the free text feedback from our telephone surveys with postal survey data, exploring options to increase car parking where possible in response to this being identified as the single biggest neighbourhood problem for tenants, exploring the possibility of mystery shopping in order to identify areas and touchpoints during the process of reporting an anti-social behaviour complaint which could be improved and the ambition to introduce cross-divisional working to ensure staff are able to answer tenants' queries even if the query relates to another service area amongst others. A report containing details of the initial action plan was taken to Housing Overview and Scrutiny Committee on 19 January 2021.

3.7 Other key indicators

Throughout the year the council also monitors some other indicators as part of the corporate scorecard which, whilst not performance related, are important to keep under review.

Demand Indicator Definition	Portfolio Holder	2019/20 Outturn	Qtr 1	Qtr 2	In month Oct	In month Nov	In month Dec	Qtr 3	Direction of Travel since 2019/20
No of households at risk of homelessness approaching the Council for assistance	Cllr Johnson	1,934	348	844	162	144	128	1,278	LOWER
No of homeless cases accepted	Cllr Johnson	107	72	111	18	11	27	167	HIGHER
<p>The Homelessness Reduction Act (HRA) 2017 places a duty on local authorities to prevent homelessness, or relieve homelessness where this is not possible. The number of approaches include all who have approached the council for housing assistance. In a number of these cases the service was able to prevent homelessness.</p> <p>The service prevents homelessness by negotiating with landlords and excluders* to keep the applicants in the property they are living in. Conversely, we could find them alternative accommodation before they become homeless, thereby preventing their homelessness.</p> <p>The acceptances are low in comparison to approaches because the service deal with a greater number of the cases before we reach the “main duty” stage, which is the stage at which we make a formal homelessness decision as is traditionally known. This is the stage at which acceptances are recorded.</p> <p>*An excluder is someone the applicant currently lives with e.g. a parent, friend or resident landlord who has asked the applicant to leave their property.</p>									

Performance indicators for which data is not currently available due to COVID-19 disruption

Number of delayed transfers of care (DToC) - days from hospital (attrib. to NHS, ASC & Joint)	The collection and publication of official DToC figures have been suspended for the rest of the year by NHS England.
Number of GP practices with automated screening protocol in place for depression and anxiety amongst LTC (long-term conditions) patients	Data not currently available from GP practices
Forecast Council Tax collected	COVID-19 impact is ongoing and is still being assessed. This is being regularly reported to members alongside separate financial reporting.
Forecast National Non-Domestic Rates (NNDR) collected	
Contact Centre - Face to Face average waiting times (minutes)	Face to Face has not been operating since 23 March 2020 due to COVID-19 lockdown.
Contact Centre - Face to Face - no of visitors	

4. Reasons for Recommendation

- 4.1 The corporate priorities and associated performance framework are fundamental to articulating what the council is aiming to achieve. It is best practice to report on the performance of the council. It shows effective levels of governance and transparency and showcases strong performance as well as an acknowledgement of where we need to improve.
- 4.2 This report highlights what the council will focus on during 2020/21 and confirms the governance and monitoring mechanisms which were in place to ensure that priorities are delivered.

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

- 5.1 Performance against the corporate priorities was monitored through Performance Board, a cross-council officer group of performance experts representing each service. Performance Board will continue to consider the corporate KPIs on a monthly basis, highlighting areas of particular focus to Directors Board.
- 5.2 Each quarter a report will continue to be presented to Corporate Overview and Scrutiny Committee, and finally reported to Cabinet.

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

- 6.1 The vision and priorities cascade into every bit of the council and further to our partners, through key strategies, service plans, team plans and individual objectives.
- 6.2 This report will help decision makers and other interested parties, form a view of the success of the council's actions in working towards achieving the vision and priority ambitions.

7. Implications

7.1 Financial

Implications verified by: **Jo Freeman**

Finance Manager

The report provides an update on performance against corporate priorities. There are financial KPIs within the corporate scorecard, the performance of which are included in the report.

Where there are issues of underperformance, any recovery planning commissioned by the council may entail future financial implications, and will need to be considered as appropriate.

The council is still assessing the full financial impact of COVID-19 and this is being regularly reported to members.

7.2 Legal

Implications verified by: **Tim Hallam**
Deputy Head of Law and Deputy Monitoring Officer

There are no direct legal implications arising from this report. However, where there are issues of underperformance, any recovery planning commissioned by the council or associated individual priority projects may have legal implications, and as such will need to be addressed separately as decisions relating to those specific activities are considered.

7.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**
Community Engagement and Project Monitoring Officer

The Corporate Performance Framework for 2020/21 contains measures that help determine the level of progress with meeting wider diversity and equality ambitions, including youth employment and attainment, independent living, vulnerable adults, volunteering etc. Individual commentary is given throughout the year within the regular monitoring reports regarding progress and actions.

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

The Corporate Performance Framework includes areas which affect a wide variety of issues, including those noted above in the body of the report. Where applicable these are covered in the appendix.

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):

N/A

9. Appendices to the report

- none

Report Author:

Sarah Welton, Strategy Manager

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9 March 2021		ITEM: 8
Corporate Overview & Scrutiny		
Financial Update		
Wards and communities affected: All	Key Decision: Key	
Report Author: Sean Clark, Director of Finance, Governance and Property		
Accountable Assistant Director: Jonathan Wilson, Assistant Director Finance, Corporate Finance		
Accountable Director: Sean Clark, Director of Finance, Governance & Property		
This report is public		

Executive Summary

This report covers the first nine months of the municipal year 2020/21 and includes updates on the Medium Term Financial Strategy and the forecast outturn positions in respect of revenue and the delivery of the capital programme.

Medium Term Financial Strategy

Cabinet has been presented with regular updates on the overall projected financial position over the next 3 years, with the most recent report being on 10 February 2021.

The funding gap in 2021/22 has been addressed through additional funding and a number of temporary interventions. These include Central Government further one-off support alongside the use of reserves and capital receipts to achieve a balanced budget.

While this addresses the pressures arising in-year, growth is still required in future years within the MTFS where it is considered there is a need to meet ongoing demand, especially in both adults' and children's social care.

General Fund Revenue Monitoring Q3 2020/21

The General Fund revenue position at the end of December 2020 is a breakeven position. This position has improved since the Quarter 2 report presented to Cabinet, largely due to additional funding of £3.485m awarded by Central Government to help mitigate the financial impact of Covid-19. Tight control over recruitment and non-essential spend have also reduced pressure on the core budget allocation.

Member priorities which were originally earmarked for spend against the budgeted surplus of £4.074m have now either been deferred, or cancelled altogether and this surplus has been included in the overall position to fund in-year pressures.

As at 31 December 2020, Thurrock Council has received funding from Central Government to the value of £14.242m to mitigate costs associated with the COVID-19 pandemic and has been reflected in this report. The report also reflects forecast additional support of £1.800m from MHCLG to partially offset income losses and forecast Job Retention Scheme income (furlough) of £0.300m. Returns continue to be submitted to MHCLG highlighting the ongoing financial risks in the current year which continue to evolve as national restrictions continue. The impact of Covid-19 has been identified and separated from the core budget monitoring and this is set out in Section 2 of the report.

The significant pressure within core services continues to be the projected increased costs in Children's Social Care relating to an increase in high costs placements. This pressure is projected to be £0.851m and actions are in place which are expected to reduce this forecast position by year-end.

The net Covid-19 pressures £0.656m are split between:

- 1) Increased spend as a result of Covid-19 emergency response; and
- 2) Income losses as a direct result of Covid-19.

The wider impact on Council Tax and Business Rates relating to 2020/21 will be managed through further government support mechanisms but there remain concerns over the impacts in subsequent years as the wider economic impacts of the pandemic become clearer.

Housing Revenue Account

The Housing Revenue Account is projecting a breakeven position. There has been a limited impact from Covid-19 to date but this continues to be monitored and there remains concern over the stability of rents in future years.

Dedicated Schools Grant

The DSG position is indicating pressures of £1.617m. The position reflects the increased pressure in the high needs block and additional demand for school places in Thurrock. In common with the wider sector a 3 year deficit recovery plan is being developed in consultation with the Education Skills Funding Agency (ESFA).

Capital Monitoring

This forecast position at the end of quarter 3 is that expenditure on General Fund schemes will be £93.009m against a planned budget of £109.092m.

1. Recommendation:

1.1 That the Corporate Overview and Scrutiny Committee comment on the MTFs and the forecast outturn position for 2020/21.

2. Medium Term Financial Strategy

- 2.1. The current MTFs is included at Appendix 1.
- 2.2. The MTFs has consistently showed a deficit of £33.673m over the three year period 2021/22 to 2023/24, with an initial £19.318m deficit in 2021/22. This was based on a number of assumptions including the financial impact of the Covid-19 pandemic and a pause to the investment strategy, notably new investment activity, and the start of phasing out of investment income as bonds mature.
- 2.3. There is now certainty on balancing the 2021/22 position through a combination of £8.136m of sustainable funding changes and £11.152m of short term measures. The sustainable changes include the use of the full Adult Social Care precept and a further £5.656m identified from the savings review undertaken which reflect a combination of departmental efficiencies, a temporary suspension on recruitment to all non-essential vacant posts and a review of staff allowances. The balance will be met from the use of some reserves allocations, flexibilities relating to capital receipts, to support transformation and growth, and additional grant funding.
- 2.4. Further details can be found in the budget reports considered and approved by Council on 24 February 2021.

General Fund Quarter 3 Monitoring

3. Introduction and Background

- 3.1. In February 2020 the Council agreed the 2020/21 budget in line with the balanced MTFs. This was supported by an investment approach and the delivery of savings targets via service reviews. The investment approach has been paused pending agreement of updated scrutiny arrangements while savings targets have been delayed by the urgent response to the Covid-19 pandemic.
- 3.2. The financial reporting includes the impact of the pandemic that has required a wider range of responses from the Council and continues to be a significant source of uncertainty. This report sets out the latest assessment of the financial impact on 2020/21 and incorporates the associated MHCLG funding announced to date. The longer-term economic impacts were monitored to enable accurate estimates to be made for the 2021/22 council tax and business rate bases. There remains significant risk in this area.
- 3.3. Any perceived risks associated with the EU Exit Process continue to be monitored. Additional funding of £0.500m has been received to help mitigate potential cost pressures that may arise in both the current financial year and providing further flexibility into 2021/22.
- 3.4. The report sets out the latest forecast position for 2020/21 across the main revenue accounts – the General Fund, Housing Revenue Account, Dedicated Schools Grant and Public Health grant.

3.5. A quarter 3 update to the Capital Programme is included in Section 3 of this report.

4. The Overall General Fund position is set out in detail in the table below:

Directorate	Full Year Budget	Month 9 Forecast	Less Covid-19 income losses	Month 9 Adjusted Directorate Forecast	Variance to budget
	£'000	£'000	£'000	£'000	£'000
Adults, Housing and Health	43,513	44,006	(640)	43,366	(147)
Children's Services	40,648	42,821	(1,322)	41,499	851
Commercial Services	988	803		803	(185)
Environment & Highways and Counter Fraud	30,714	31,504	(790)	30,714	0
Finance, Governance and Property	18,334	18,811	(700)	18,111	(223)
Housing General Fund	1,817	1,817		1,817	0
HR, OD and Transformation	5,145	4,762		4,762	(383)
Place	5,356	6,386	(1,030)	5,356	0
Strategy, Communications & Customer Service	3,175	2,984	(218)	2,766	(409)
Corporate Costs	(837)	(837)		(837)	0
Central Financing	(118,030)	(118,030)		(118,030)	0
Treasury	(29,794)	(25,881)		(25,881)	3,913
Unachievable savings	(1,027)	0	(1,027)	(1,027)	0
Service Total	0	9,144	(5,726)	3,418	3,418
Covid-19 costs	14,242	11,273	5,726	16,998	2,756
Covid-19 funding	(14,242)	(14,242)		(14,242)	0
Job Retention Scheme & Income compensation	0	(2,100)		(2,100)	(2,100)
Covid-19 impact	0	(5,069)	5,726	656	656
Month 9 Total	0	4,074	0	4,074	4,074
Budgeted Surplus					(4,074)
Grand Total					0

Section 1 – Directorate Outturn position

The following section sets out the directorate outturn position, excluding the impact of Covid-19 (this is detailed separately in section 2 of this report).

Analysis by Service Area:

5. Adult Social Care

Service	Full year budget	Adjusted Forecast	Variance to budget
	£'000	£'000	£'000
Assistive Equipment & Technology	599	627	28
Commissioning & Service Delivery	2,494	2,707	213
Community Development	1,985	1,808	(177)
External Placements	27,343	27,372	29
Fieldwork Services	4,128	3,985	(143)
Provider Services	6,965	6,868	(97)
Total	43,513	43,366	(147)

- 5.1. The directorate outturn position is currently projecting a forecast underspend of £0.147m.
- 5.2. The department is able to finance the budget pressures, which are not as a result of the COVID-19 pandemic, within the overall service budget allocation. These are costs that occur during the running of front line operations of social care and safeguarding activities.
- 5.3. There remains some pressure within the Commissioning & Service Delivery service. This is currently due to a delay in the planned implementation of service changes due to COVID-19 which impact on the associated planned cost savings. In addition there is forecast overspend on legal costs.
- 5.4. Community development variance against budget arises from staff savings caused by the delay of the implementation of a planned restructure, and staffing costs forming part of the COVID allocation as they relate to operation shield works.
- 5.5. Fieldwork work service is underspent due to a delay in recruitment in the service.
- 5.6. Although contained within the overall position, essential premises and maintenance costs continue to be incurred within Collins House until longer term capital projects are undertaken. There are also pressures within the provider bank budget which is necessary to support front line staffing requirements in the delivery of homecare and residential services.

6. Children's Services

Service	Full year budget	Adjusted Forecast	Variance to budget
	£'000	£'000	£'000
Business Support	218	218	0
Children and Family Services	31,492	32,965	1,473
Head Start Housing Service	887	878	(9)
Learning & Universal Outcomes	5,496	4,678	(818)
School Transport	2,555	2,760	205
	40,648	41,499	851

6.1. The overall Children's Services forecast outturn position is £0.851m overspent.

Children and Family Services

6.2. Within the overall reported pressure placement costs remain the key area of risk. In respect of support for looked after children and young people subject to child protection plan there is a pressure of £1.848m primarily as a result of large sibling group placements.

6.3. The original budget was based on 288 looked after children. Placement numbers continue to fluctuate around 288 yet the profile of placement type is the key driver impacting the budget as demonstrated in the below table:

Placement Type	Budgeted number of placements	Dec-20 Actual number of placements	Variance	20/21 Revised Budget	Month 6 forecast	Variance
				£'000	£'000	£'000
Placed with Parent/Prison	5	4	(1)	0	0	0
Internal Fostering	134	118	(16)	2,478	2,513	35
Supported Accommodation	31	21	(10)	820	619	(201)
External Fostering	94	120	26	4,216	5,251	1,035
External Residential	24	25	1	3,909	4,659	750
Secure Placement	0	0	0	0	229	229
Total	288	288	0	11,423	13,271	1,848

6.4. Underspends in the running of the fostering & adoption and the children with disabilities services are helping to mitigate some of the above pressures, and a focus on enabling more internalised foster carer arrangements through tax exemption is being piloted, to gauge improvements on people outcomes, and less dependency from the authority on Independent Fostering Agencies.

6.5. The number of agency staff is now 30 FTE workers engaged as at 30 December 2020. This cost is managed within existing staffing budgets.

- 6.6. The Directorate continue with a number of actions to address the projected deficit. These need to be considered in the context of COVID-19 which has restricted the range of actions available. These include:
- The continued review of all high cost placements with an annual cost of £0.130m and over; and
 - A review of the engagement of the Families Together Team in respect of children who have become looked after in February/March to consider the level of engagement at this time with the families and identify further actions to address as Covid-19 restrictions lift.

Learning and Universal Outcomes

- 6.7. The service are reporting a projected underspend of £0.818m; through delays in filling vacant posts, the non-recruitment to vacant posts, a reduction in full time equivalents and non-enrolment in the Superannuation scheme.

7. Environment, Highways & Counter Fraud

- 7.1. The overall position for the directorate is forecast to be breakeven after adjustment for the income losses relating to Covid-19.

Service	Current Budget	Adjusted Forecast	Reported month 6 variance
	£'000	£'000	£'000
Counter Fraud & Enforcement	168	479	311
Emergency Planning and Resilience	430	414	(16)
Environment and Highways	1,442	1,108	(334)
Highways, Fleet and Logistics	9,052	9,008	(44)
Street Scene and Leisure	19,622	19,705	83
Total	30,714	30,714	0

Counter Fraud & Enforcement

- 7.2. The Traded Services income for the Counter Fraud team has been forecast to budget based on external work that has been agreed with MHCLG during 2020/21 to review the financial support that has been awarded to local businesses during the lockdown period. This income is expected to mitigate other budgeted income that is no longer expected from work carried out with other Local Authorities – however it is important to note that there will also be additional costs associated with this activity which has also been reflected in the overall position. At the time of writing this report Thurrock has started to receive payment in respect of these contracts.

- 7.3. Additional agency staff costs have been included in the forecast for the wider enforcement function and this resource continues to be regularly reviewed alongside potential alternative funding sources

Environment & Highways

- 7.4. Close control of staffing costs and vacant posts have led to a forecast underspend of £0.334m. A number of staff have appropriately been charged to the capital budgets assigned to the projects they have been supporting.

Highways, Fleet & Logistics

- 7.5. The service is set to underspend by £0.044m but there remains potential movement within winter maintenance budget which will be dependent on the severity of the weather and gritting requirements over the remaining quarter of the year.

Street, Scene & Leisure

- 7.6. Waste services continue to forecast risk against their allocated budget as there remains a variable cost per tonne element within the Recycling contract. The quarterly price has, however, decreased from £105.04 per tonne to £100.55 per tonne for quarter 4. Alongside this, the Energy from Waste contract has had an increase of approximately 500 tonnes per month compared to last year. Both of these contracts will continue to be closely monitored as part of the usual budget monitoring arrangements.

Energy From Waste	OCT	NOV	DEC
2019/20 tonnages	3,676	3,572	3,499
2020/21 tonnages	3,981	3,987	4,181
Increase year on year	305	415	682

8. Place

Service	Current Budget £'000	Adjusted Forecast £'000	Reported month 6 variance £'000
Delivery and Strategy	580	580	0
Economic Development	524	524	0
Lower Thames Crossing & Transport Infrastructure Service	141	141	0
Place Delivery Service	341	341	0
Planning; Transportation and Public Protection	3,719	3,719	0
Total	5,306	5,306	0

- 8.1. Although a balanced position has been forecast at month 9 it should be noted that this continues to be dependent on a plan to mitigate in-year pressures

identified across the directorate to the value of £0.147m being implemented within the required timescales.

Delivery & Strategy

- 8.2. Finance have reviewed staffing support to a number of regeneration capital projects to ensure relevant associated costs are not borne by the General Fund. This approach alongside a reduction in non-essential spend should allow for a breakeven position in this area.

Place Delivery

- 8.3. The Regeneration team have pressures related to the difference in cost between agency staff and the budget for the Regeneration Manager posts. All further non-staffing budgets continue to be reviewed to mitigate this pressure.

Planning, Transportation & Public Protection

- 8.4. Previously forecast overspend position of £0.063m is expected to be fully mitigated by close scrutiny of all project work budgets and non-essential spend will now be scaled back to ensure spend is within the allocated resource.

Planning Delivery Fund

- 8.5. The Planning Delivery Fund is money that is being held as part of a partnership arrangement across seven local authorities. The seven local authorities are Basildon, Brentwood, Castlepoint, Essex, Rochford, Southend-on-Sea and Thurrock. The money is due to be spent across these local authority areas.
- 8.6. This funding was carried forward from 2019/20 to be spent in 2020/21.

9. Finance, Governance & Property

- 9.1. Careful management of staff costs in a number of service areas has led to a forecast underspend of £0.223m particularly within Electoral Services and the Revenue and Benefits team.

Service	Full year budget	Adjusted Forecast	Variance to budget
	£'000	£'000	£'000
Assets	5,443	5,443	0
Cashiers	65	125	60
Chief Executive	1,000	1,000	0
Corporate Finance	2,415	2,415	0
Democratic Services	234	219	(15)
Electoral Services	506	285	(221)
ICT	3,575	3,700	125
Legal Services	1,899	1,899	0
Members Services	801	753	(48)
Revenue and Benefits	2,295	2,171	(124)
Total	18,234	18,011	(223)

Assets

- 9.2. While the overall forecast position is breakeven there remain financial challenges. The Corporate Landlord function is forecasting to overspend by £0.102m reflecting a number of buildings have transferred to the service with budgets limited for the works required. This continues to be managed within the revenue and capital resources available. This pressure has been offset by managing of vacant posts and agency staff.

Electoral Services

- 9.3. The local elections were delayed in May 2020 and hence there is a cost saving against budget. The expectation is the May 2021 elections will progress and any required funding will be allocated to supporting this process.

ICT

- 9.4. All core service costs are being managed within existing budgets. There remains a £0.125m traded services income pressure that will need to be revisited as part of the wider income targets linked to services with schools and other authorities.

10. Housing General Fund

Service	Current Budget	Adjusted Forecast	Reported month 9 variance
	£'000	£'000	£'000
Homelessness	1,229	1,229	0
Hostel Provision	209	209	0
Private Sector Housing	326	326	0
Travellers Sites	53	53	0
Total	1,817	1,817	0

- 10.1. The Housing General Fund financial outturn is projected to be delivered within the agreed budget level. The impact of COVID-19 remains significant risk in respect of homelessness claims in the final quarter of the year and going forwards into 2021/22. This is discussed further in section 2 of this report.

11. Strategy, Communications & Customer Service

Subservice	Full year budget	Adjusted Forecast	Variance to budget
	£'000	£'000	£'000
Corporate Communications	514	454	(60)
Customer Services	1,132	904	(228)
Social Care Performance	1,209	1,101	(108)
Strategy Team	320	307	(13)
Total	3,175	2,766	(409)

- 11.1. The overall Strategy, Communications and Customer Services directorate forecast variance at the end of quarter 3 is £0.409m underspend.
- 11.2. Customer Services is forecast to be underspent by £0.228m once the loss of income anticipated for the Registrars service is adjusted for.
- 11.3. The wider underspend is due to vacant posts across a number of the services and the tight management of resources overall. Any decisions regarding the reinstatement of face-to-face services may result in changes to the financial position but the option to redeploy staff will be reviewed.

12. HR, OD & Transformation

	Full year budget	Adjusted Forecast	Variance to budget
	£'000	£'000	£'000
HR OD Team	4,237	3,911	(326)
Occupational Health & Counselling	147	153	6
Corporate Training & Development Budget	180	110	(70)
Information Management	581	588	7
Total	5,145	4,762	(383)

12.1. The Directorate forecast an underspend of £0.383m for 2020/21. This is through managing the funding of staff on relevant capital and transformation projects.

12.2. Furthermore events scheduled to take place throughout the year have been delayed or delivered in alternative virtual formats therefore the project budget allocations have not been utilised in full.

Treasury & Financing

12.3. The reported position of £3.913m reflects a pause to the investment strategy, including TRL.

12.4. The Council has also taken action to stabilise cash-flow in light of increased demands arising from the response to the pandemic. The Council projects to utilise increased fixed term borrowing in 2020/21 which has a higher associate interest rate than borrowing in the local authority market. During the current financial period, a further proportion of the Council's overall debt was re-financed.

Housing Revenue Account

Service	Revised budget	Forecast Outturn	Directorate Outturn Variance	Covid-19 Impact	Adjusted Forecast	Reported Month 9 Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Housing Development	217	217	0	0	217	0
Financing and Recharges	24,440	24,775	336	0	24,775	336
Rent and Income	(50,254)	(49,725)	529	529	(49,725)	529
Repairs and Maintenance	12,021	12,021	0	0	12,021	0
Operations and Management	13,575	12,711	(865)	0	12,711	(865)
Total	0	0	0	529	0	0

- 12.5. Overall, the HRA is forecasting a balanced position at the end of financial year. Expenditure within this service is more manageable in certain respects as activity levels can be adjusted accordingly, to remain within financial constraints.
- 12.6. The economic impact of the pandemic is being seen to have a direct adverse financial impact on the HRA. This is reflected in the table above to demonstrate a forecast loss related to expected increases in the level of bad debts relating to existing rents.
- 12.7. In addition, there has been a delay in hand over time of the new build properties at Topps Club and Claudian Way. Therefore the anticipated reduction in the level of rent and service charge has been reflected.
- 12.8. There are currently a number of vacant posts across the directorate which will mitigate the in-year impact of reduced income levels and the requirement to increase the bad debt provision.

13. Dedicated Schools Grant

- 13.1 The DSG 2020/21 projected outturn position is a deficit of £1.617m, as a result of continued demand within the High Needs Block that exceeds the budget available.

DSG 2020/21	Funding Settlement	Academy Recoupment	Final DSG	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000	£'000
Schools	126,839	(119,290)	7,549	6,650	(899)
Central Services	1,850	0	1,850	1,804	(46)
High Needs	26,021	(5,376)	20,645	23,207	2,562
Early Years	12,699	0	12,699	12,699	0
Total	167,409	(124,666)	42,743	44,360	1,617

Schools Block

- 13.2 The growth fund allows officers to ensure sufficiency of places within Thurrock schools for all children of school age. Based on current commitments and historic level of spend there is a forecast underspend of £0.899m.

Central Services Block

- 13.3 A projected underspend of £0.046m through a combination of a delays in recruitment within School Admissions to September 2020 and savings in venue hire as Schools Forum meetings are held virtually in 2020/21.

High Needs Block

- 13.4 This is the significant area of financial risk and can be broken down into four key areas:
1. The continued increase in the number of pupils with Education Health and Care Plans. Additional costs of £0.734m are forecasted in maintaining pupils within Thurrock schools or other Local Authority mainstream schools and academies.
 2. Post 16 costs – Increased pupil numbers are forecasted with additional cost of £0.400m.
 3. There is a forecast overspend of £1.128m in relation to residential and non-residential non-maintained and independent placements. This reflects the higher level of complex cases and out of borough placements.
 4. The increase in supplying tuition packages for pupils not in school with a projected additional cost of £0.300m.
- 13.5 A review of the local offer and commissioned places available in Thurrock continues. The need to challenge schools on the use of their Notional SEN budgets and the requirement to progress to an Education Health and Care Plan remains.
- 13.6 A breakeven forecast is currently shown in the Early Needs Block. Officers continue to review the financial implication arising from the use of the spring 2021 Census. This has implications for both 2020/21 and 2021/22.

DSG Reserve

13.7 The DSG has a carried forward deficit of £1.978m into 2020/21. The 2020/21 in year position will increase the deficit to £3.595m. There remains wider discussion with the Education Skills Funding Agency on the approach to addressing deficits in the longer term.

14 Public Health

14.1 The Public Health Grant increased by £0.735m in 2020/21 with the full allocation for the year being £11.485m. The increase has been allocated to inflationary increases against existing contracts with external health providers in line with the national Agenda for Change (AFC).

14.2 The Public Health Grant distribution focuses on key areas of delivery including drug and alcohol, sexual health and Healthy Families. Within these contracts the delivery of face to face services were suspended for some time due the pandemic and these staff were redeployed to help contain the outbreak. Demand has reduced compared to the allocated budget and currently predicting a forecast underspend of £0.432m. Each contract is continuously monitored and reviewed by the service in line with GP practices and health care providers as limited service continues to operate in current restrictions. All uncommitted funds will be placed into a ring-fenced reserve and utilised against appropriate Public Health related activities in 2021/22.

14.3 The direct financial implications arising as a result of the COVID-19 pandemic are being funded by central government and set out in Section 2 of this report.

15 Section 2 Corporate Covid-19 impact:

15.1 The overall position is set out in the table below:

Service	Income received	Month 6 Forecast Costs/Losses	Forecast local impact
	£'000	£'000	£'000
Covid-19 Government funding	14,242		
Income loss compensation	1,800		
Furlough Income	300		
Total	16,342	16,998	656

15.2 Expenditure and income losses attributable to the impact of the COVID-19 pandemic for each directorate are broken down in the following table:

Directorate	Additional costs	Income loss	Total	Key areas of spend/income pressures
	£'000	£'000	£'000	
Adults, Housing and Health	4,169	640	4,809	External care market support, internal care provision, increased demand, temporary suspension to charging & review process
Children's Services	2,415	1,322	3,737	Anticipated increase in referrals, delays to legal proceedings, Head Start Housing, school transport
Corporate costs	491	0	491	Operation Shield, food stock/delivery, staff overtime and temporary mortuary facilities.
Environment and Highways	2,041	790	2,830	Bus subsidy, PPE, HRWC, HGV hire, enforcement staffing costs and temporary mortuary facilities. Loss of income for parking & enforcement, commercial waste
Finance, Governance and Property	656	700	1,356	ICT costs for home working, loss of rental income on commercial properties
Housing General Fund	1,500	0	1,500	Increased Homelessness (post landlord eviction amnesty), temporary accommodation
Place	0	1,030	1,030	Planning income, Thameside Theatre closure, licencing, business centre income losses
Strategy, Communications & Customer Services	0	218	218	Restrictions placed on the registrars service, loss of advertising and Film Office income
Unachievable savings	0	1,027	1,027	Delay to savings built into base budget
Total	11,273	5,726	16,998	

15.3 Further detail is set out below in respect of the impact on Adult Social Care, Children's Services, Housing General Fund and Public Health:

Adult Social Care

- 15.4 The following costs have been included in the position to support the financial resilience of providers, facilitate hospital discharges and support internal care provision and are all as a direct consequence of the pandemic:

Covid-19 Direct Response	£'000
External Market Support	
10% resilience Payments across ASC providers	1,779
Increase Home Care rates to 5% uplift	136
Ongoing increase in demand for provision (not covered by HDI)	607
Internal Care provision	
Additional equipment - Oak House & Piggs Corner	30
Specialist Dom Care Teams - enhanced payments	165
Telecare - installation, additional equipment & 7 day service	26
PPE	30
Voluntary Sector contracts	137
Staffing costs - residential care/libraries/shielding	750
Provider Services	510
Total	4,169
Hospital Discharge	
Net expenditure	1,119
Offset Against CCG Income (not yet received)	(1,119)
Total	0

- 15.5 Adult Social care departments nationally received a further allocation of grant funding – the Infection Control Grant, in order to address specific issues within the sector. This is ring-fenced for these purposes and reported outside of the position detailed above.

Direct Service intervention to the external market:

- 15.6 Regarding Financial resilience payments, the Council has provided a temporary financial resilience payment of 10%. This was agreed to be paid out for the first 16 weeks of the year and is based on the budgeted level of spend for each provider. This is available to all service providers and is in response to higher levels of dependency, staff sickness rates and absenteeism and overall volatility. A further payment was agreed in December 2020.
- 15.7 The emerging situation with regards to residential care is of particular concern; with an increase in the number of voids resulting in higher unit costs for providers in an already fragile market. The current estimates in the forecast assume a continuation of the measures in place for the first sixteen

weeks of the year but there remains the potential for additional financial risk. This has been reflected in the ongoing care costs of £0.606m.

- 15.8 The Service has increased the uplift on domiciliary care providers from £16.25 to £17.06. This has been done to ensure one of the most vulnerable markets, who themselves, care for the boroughs most vulnerable, are able to operate financially
- 15.9 It is for the reasons noted above that Members are reminded that reserves positions are finite and, once used, are no longer available to use on one-off stimuli. This is why a long-term view is necessary on reserve positions.

Internally managed care provision (Provider Services)

- 15.10 Internally managed care provision, namely through Collins House residential home and Thurrock Care at Home domiciliary care has faced significant additional costs during the pandemic. This largely equates to the following:
- Increased level of overtime and usage of provider bank staff to cover staff sickness and absenteeism;
 - Increase demand for PPE in order to undertake duties safely; and
 - Specialist domiciliary care teams implemented to provide care for clients who have tested positive for Covid-19.
- 15.11 The Covid-19 pandemic is starting to change the way in which Adult Social Care services are delivered. A legacy of the recent events could see a permanent reduction in the demand for residential care services, with a greater emphasis on domiciliary care and people being looked after in their own homes, or cared for at a home of a family member who themselves are now able to work from home on a more permanent basis. This represents a significant ongoing economic and financial risk to this sector of the market. An increased number of voids, and reduction in demand will require a different financial strategy in future years.
- 15.12 There will also be a requirement to undertake a high level of both care and financial assessments when previous legislation is reinstated. This could result in additional costs in order to secure the required level of care resources.

Hospital Discharge process

- 15.13 In response to the Covid-19 Crisis and to ensure timely discharge the NHS and Local Authorities are required to work together to:
- provide free out of hospital care and support to people discharged from hospital;
 - provide free care and support to people requiring additional care to avoid hospital admission (in line with national guidance at the time and during the COVID-19 crisis);

- remove barriers to discharge and transfers between health and social care to get people out of hospital and either home or into an alternative care setting quickly;
- work together to maximize the funding available including putting relevant funds into a pooled budget to cover costs of discharge support and removing room for debate at this time; and
- Provide support to the care market through the Covid-19 emergency period

15.14 The Council is working closely with Thurrock CCG in order to deal with people who are being discharged from hospital during the pandemic.

15.15 Further guidance has now been issued in relation to the hospital discharge scheme. In summary, the Council needs to ensure that people discharged from hospital before the 31st August 2020 will need to be assessed in a reasonable timeframe, and if continuing social or health care is needed, this will be a cost directly to the Local Authority or CCG as applicable.

15.16 The current cost of the people where this is applicable is £0.165m per month, and the potential on-going cost included in the table above represents the staged approach the reduction of health care funding over the next four months.

15.17 The directorate continues to work closely with colleagues across Thurrock Clinical Commissioning Group (CCG) on this complex issue to agree a pragmatic approach.

Income adjustments

15.18 There has been a reduction in the forecast level of income that will be achieved in the financial year to the value of £0.640m. This is as a direct result of the Covid-19 situation, and relates to the following areas:

Detail	Income Loss
	£'000
Temporary suspensions to charging and review processes	272
Closure of Libraries, Hubs, Day Care centres and Café	158
Internal residential care facilities operating on a reduced occupancy level	210
Total	640

Children's Services

15.19 The following Covid-19 related costs have been incurred by Children's Services (or are anticipated to cause an increase in costs in the coming months):

Detail	Additional costs
	£'000
Education IT equipment and video	49
Head Start Housing	400
Increase in Child Protection referrals/Delayed Care Proceedings/Block placement purchasing	1,475
Early Years support	232
Schools Transport	259
Total	2,415

Increase in child protection referrals & delayed care proceedings

- 15.20 An allowance has been made for potential increased costs within children's social care and this is a nationally recognised issue. Most referrals are made by schools and health professionals who identify safeguarding concerns; the number of referrals fell significantly during the first lockdown period. With children and young people returning to school in September and then a further period of lockdown, an increase in referrals is anticipated
- 15.21 Cllr Judith Blake, Chair of the LGA's Children and Young People Board, said: 'The impacts of the pandemic will be far reaching for some children, young people and their families. As this becomes clearer, more children and their families are likely to need support and councils expect to see a significant rise in referrals to children's social care and demand for wider children's support services'. Some children and their families will need significant interventions, but others will just need some extra help to get through a difficult period. It will be essential that the right services can be there to support them and help them cope.
- 15.22 The position on all forecast impacts remains under review.

Head Start Housing

- 15.23 Increased Head Start Housing costs have resulted from the increased use of properties required for young adults who were shielding as part of continued lockdown restrictions.

Home to School Transport

- 15.24 A significant risk is Home to School Transport due to Covid-19 and the continued increase in demand for service and social distancing measures required. Initial projections, based on invoices paid to date and current contract values, show a potential additional costs of £0.259m.

Income adjustments

Detail	Income loss
	£'000
Admissions and Welfare	28
Adult college	112
Grangewaters	140
Head Start Housing	9
Income from Catering	450
Music Services	117
Nursery	154
Sunshine Centre	18
Traded Income	294
Total	1,322

- 15.25 A number of services ceased during the national lockdown periods and fees for these services have been negatively impacted; Grangewaters, Adult College, Music services.
- 15.26 Both of the day nurseries, Neptune and Little Pirates, are reporting a combined overspend of £0.154m due a reduction in fee income recovery. The provision was limited to only delivering a service to children of key workers during the national lockdowns.
- 15.27 The catering income reduction reflects the associated reduction in demand from schools since the start of the pandemic.

Housing General Fund

Detail	Additional costs
	£'000
Homeless Incentive Payments	59
Increased Homelessness (post landlord eviction amnesty)	624
Rooms at Thurrock Hotel	818
Total	1,500

Homelessness

- 15.28 One of the major routes into homelessness is as a result of landlords imposing eviction measures. These measures were on hold until the 20 September 2020 and landlords could to progress their possession claim through the courts. However the tenant eviction ban has been reintroduced at the end of 2020. While evictions remain possible where there is a breach of the tenancy agreement a six month notice period remains in place until the end of March 2021.

15.29 The concern is that once eviction actions can commence there is expected to be an increase in the number of households presenting as homeless. In addition as the wider economic impacts of the pandemic are felt this may further increase pressure on the service and hence there is a forecast pressure which remains under review and will impact both the current year and future periods.

15.30 From the outset of the pandemic there were 32 people identified as rough sleepers who were housed in short term emergency accommodation since the onset of the pandemic. The average cost of this is in the region of £70 per day, per person, for this level of short term temporary accommodation. The full year effect of this is reflected in the level of anticipated spend in the corporate forecast at £0.818m, but the service are reviewing this cohort of people to find alternative, longer term housing solutions. There is a varying degree of need, vulnerability and suitable accommodation provision across the demographic, ranging from the ability to place people in HMO's through to supported accommodation placements.

Test and Trace

15.31 On 22 May 2020, the UK Government announced its expectation that every top tier local authority would create a Local Outbreak Control Plan by the end of June 2020,

The seven key themes are as follows:

1. Planning for local outbreaks in care homes
2. Identifying and managing outbreaks in high risk places, locations and communities
3. Identifying methods for local testing capacity
4. Contact tracing in complex settings
5. National and local data integration including local surveillance and monitoring of outbreaks
6. Supporting vulnerable local people to self-isolate
7. Establishing governance structures including a local DPH led Health Protection Board and elected member led Engagement Board

15.32 Thurrock Council has been awarded a central government grant to the value of £1.052m to develop and implement its plan, including local testing and contact tracing arrangements and this is separate to the funding listed above. It is the intention to fully spend this allocation within the current financial year, however discussions are ongoing with Central Government as there may be a need to fund ongoing activities into 2021/22.

Control Outbreak Management Fund

15.33 In November 2020, the Government awarded another tranche of financial relief to upper tier authorities to help contain the Covid-19 outbreak. The fund was specifically given to contain the spread of the virus in areas with the

highest rates of infection as the country moved into further restrictive measures.

15.34 The total allocation received to date is £2.005m and funding has been allocated to a number of initiatives such as enforcement, enhanced testing, communications and assisting the voluntary sector, in line with the conditions of the grant.

15.35 Currently the Control Outbreak Management Fund must be spent by 31st March 2021 and hence any unallocated funds by this date will be transferred back to Central Government for reallocation of resources.

16 Section 3 Capital Monitoring 2020/21 Quarter 3

General Fund Schemes

16.1 The current position for General Fund schemes for 2020/21 is summarised below:

	Latest Agreed Budget	Projected Outturn to 31/03/2021	Variance against budget
	£'000	£'000	£'000
Expenditure:			
Children's Service ¹	11,266	10,436	(830)
Adult, Housing & Health	4,674	2,700	(1,974)
Environment and Highways	19,007	14,797	(4,210)
Place	52,413	48,003	(4,410)
Finance and IT	12,045	7,451	(4,594)
HR, OD & Transformation	9,386	9,386	0
Customer Services	283	218	(65)
Commercial Services	18	18	0
Total Expenditure	109,092	93,009	(16,083)
Resources:			
Prudential Borrowing	(53,432)	(42,871)	10,561
Capital Receipts	(51)	(51)	0
Reserves	(71)	(71)	0
Government Grants	(22,746)	(17,818)	4,928
Other Grants	(29,127)	(29,077)	50
Developers Contributions (S106)	(3,665)	(3,121)	544
Total Resources	(109,092)	(93,009)	16,083
Forecast Overspend in Resources	0	0	0

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

Capital Programme – Projected Outturn as at Month 9

16.2 This illustrates a projected outturn at the end of the financial year of £93.009m, which is £16.078m less than the latest agreed budget for the year. This forecast variance is further analysed below.

	Re-profiling of expenditure at Month 9	Capital schemes requiring additional funding	Completed Projects	Forecast variance against budget at Month 9
Expenditure:	£'000	£'000	£'000	£'000
Children's Service	(830)	0	0	(830)
Adult, Housing & Health	(1,974)	0	0	(1,974)
Environment & Highways	(4,205)	0	(5)	(4,210)
Place	(4,410)	0	0	(4,410)
Finance and IT	(4,594)	0	0	(4,594)
HR, OD & Transformation	0	0	0	0
Customer Services	(65)	0	0	(65)
Commercial Services	0	0	0	0
Total	(16,078)	(0)	(5)	(16,083)

16.3 This shows that the forecast underspend is principally due to slippage/budget re-profiling on current schemes (£16.078m). Consequently the funding remains allocated to specific current schemes.

16.4 There are no schemes exceeding their capital budgets projected to the end of the current year. However work continues to assess the final forecast position on the A13 widening works project as a whole and as reported to the Standards and Audit Committee and the Planning, Transport and Regeneration Committee, the last project forecast was expected to be within the range of £114m to £120m. This remains under assessment as the project continues and further project and financial risks continue to be managed.

16.5 A list of schemes where the variance is greater than £1m is shown in Appendix 3.

16.6 A number of capital schemes are also expected to complete construction in future years with expenditure totalling £67.029m. Budgets for these schemes have been profiled accordingly.

16.7 In addition, following the review of the capital programme by Officers and Members, a number of projects have been put on hold, pending further reviews. These projects totalling £18m are also reflected in future year budgets, subject to the review.

16.8 Schemes that are at a feasibility or at an earlier stage of development have been excluded from the reported position. The total projected budgets of

£100.1m include school improvement works, the A13 East Facing slip road, Grays South development and the 21st Century Care Home.

17 Housing Revenue Account Schemes

- 17.1 The current position for Housing Revenue Account schemes for 2020/21 is summarised in Table 4.

HRA Capital Programme – Projected Outturn:

	Latest Agreed Budget	Projected Outturn to 31/03/2021
	£'000's	£'000's
Expenditure:		
Transforming Homes	23,041	16,688
Housing Development	6,651	5,850
Total Expenditure	29,692	22,538
Resources:		
Prudential Borrowing	(8,865)	(5,423)
Capital Receipts	(9,543)	(6,611)
Reserves	(744)	(744)
Government & Other Grants	0	0
Major Repairs Reserve	(10,540)	(9,760)
Total Resources	(29,692)	(22,538)
Forecast Overspend in Resources	0	0

- 17.2 The budget for Transforming Homes in 2020/21 is £23.041m and the forecast spend is currently £16.688m. Some schemes have experienced delays due to the Covid-19 pandemic, this has resulted in slippage to the expected spend in 2020/21.
- 17.3 The revised budgets for 2020/21 for HRA New Build Schemes are set out below. The current forecast is £5.850m against a budget of £6.651m. These projects will utilise receipts held under Right to Buy sharing agreement between the Council and the MHCLG.

HRA New Build Schemes

	Revised Budget	Spend YTD	Forecast	Variance from Revised Budget	
	£000	£000	£000	£000	%
Calcutta Rd	5,590	2,186	4,919	(671)	(12%)
Claudian Way	672	502	548	(124)	(18%)
Tops Club	377	312	371	(6)	(2%)

Prince of Wales Dev	12	12	12	(0)	(0%)
Total	6,651	3,012	5,850	(801)	(12%)

18 Reasons for Recommendation

- 18.1 The Council has a statutory requirement to set a balanced budget annually. This report sets out the budget pressures in 2020/21 along with actions to mitigate these pressures and deliver a breakeven position.

19 Consultation (including Overview and Scrutiny, if applicable)

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

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

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

21 Implications

21.1 Financial

Implications verified by: **Jonathan Wilson**

Assistant Director Corporate Finance

The financial implications are set out in the body of this report. Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports continue to come to Cabinet and be considered by the Directors Board and management teams in order to maintain effective controls on expenditure during this period of enhanced risk. 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.

21.2 Legal

Implications verified by: **Ian Hunt**

**Assistant Director Law and Governance and
Monitoring Officer**

There are no specific legal implications set out in the 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.

21.3 **Diversity and Equality**

Implications verified by: **Natalie Smith**

**Community Development and Equalities
Manager**

The Equality Act 2010 places a public duty on authorities to consider the impact of proposals on people with protected characteristics so that positive or negative impacts can be understood and enhanced or mitigated as appropriate. Services will be required to consider the impact on any proposals to reduce service levels through a community equality impact assessment which should seek to involve those directly affected.

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

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

Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright): There are various working papers retained within the finance and service sections.

22 **Appendices to the report**

Appendix 1 Medium Term Financial Strategy

Appendix 2 Summary of 2020/21 Capital Programme

Appendix 3 General Fund Schemes

Report Author

Sean Clark

Corporate Director of Finance, Governance and Property

Appendix 1 MTFS as at 30 December 2020

Narrative	2021/22 £000's			2022/23 £000's	2023/24 £000's
	Non Covid	Covid	Total		
Council Tax Position	(1,301)	2,191	890	(1,081)	(1,500)
Business Rates Position	(395)	51	(345)	(51)	(665)
Government Resources Position	202	0	202	797	784
Net Additional (Reduction) in resources	(1,495)	2,242	746	(335)	(1,381)
Inflation and other increases	5,714	0	5,714	4,515	4,665
Treasury	6,758	0	6,758	7,221	4,948
Corporate Growth	1,959	3,022	4,981	2,314	2,314
Commercial Income	0	1,089	1,089	(1,089)	0
Internal Position	14,431	4,111	18,542	12,961	11,927
Core Budget Deficit before intervention	12,936	6,353	19,288	12,626	10,546
Savings Departmental	(756)	0	(756)	(3,341)	(1,635)
General Staffing	(4,800)	0	(4,800)	(100)	(2,000)
Cross Cutting	(100)	0	(100)	(1,250)	(200)
Wider Funding	0	0	0	(250)	(200)
Internal Core Budget Savings	(5,656)	0	(5,656)	(4,941)	(4,035)
Core Budget Deficit Position	7,280	6,353	13,632	7,685	6,511
Additional Core Budget Savings					
Adult Social Care Precept 3%	(980)	(1,500)	(2,480)	0	0
11. Other funding (not affecting baseline)					
Utilisation of Capital Receipts	(3,000)	0	(3,000)	3,000	0
Use of reserves 2021/22	(3,300)	0	(3,300)	3,300	0
Capital receipts 2022/23	0	0	0	(2,000)	2,000
Use of reserves 2022/23	0	0	0	(2,000)	2,000
Covid Grant	0	(4,853)	(4,853)	4,853	0
	(6,300)	(4,853)	(11,153)	7,153	4,000
Overall Budget Working Total	0	0	0	14,838	10,511

Summary of the 2020/21 General Fund Capital Programme	Approved Budget			Projected Outturn			CY Spend	% Spend against
	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	(Dec-20)	CY Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Childrens Service	11,266	400	0	10,436	1,231	0	7,304	69.99
Adults; Housing and Health								
Provider Services	500	20	0	500	20	0	573	114.60
Better Care	2,151	805	0	744	1,563	648	240	32.00
Community Development	1,632	1,309	0	1,150	1,591	200	685	60.00
Housing General Fund	391	100	35	306	100	120	18	6.00
	4,674	2,234	35	2,700	3,274	968	1,516	56.15
Environment, Highways & Counter Fraud								
Highways Infrastructure	1,051	0	0	1,051	0	0	-281	-26.74
Highways Maintenance	10,015	3,630	2,450	8,810	4,441	2,845	4,471	51.00
Resident Services	320	1,827	0	320	1,827	0	239	75.00
Environment	7,371	1,030	0	4,366	4,030	0	826	19.00
Counter Fraud & Investigation	250	0	0	250	0	0	12	5.00
	19,007	6,487	2,450	14,797	10,298	2,845	5,267	35.60
Place								
Place Delivery - Highways Major Projects	38,405	31,214	0	38,373	31,243	0	27,600	71.93
Place Delivery - Regeneration	8,104	18,311	5,846	7,354	19,061	5,846	2,792	37.97
Planning and Transportation	5,904	5,096	790	2,276	7,935	1,580	844	37.08
	52,413	54,621	6,636	48,003	58,239	7,426	31,236	65.07
Finance, Governance and Property								
Information Technology	8,330	585	80	4,871	3,680	445	2,024	41.55
Corporate Assets	3,715	7,114	240	2,580	5,720	2,768	679	26.32
	12,045	7,699	320	7,451	9,400	3,213	2,703	36.28
HR, OD and Transformation	9,386	4,128	0	9,386	4,128	0	3,127	33.32
Customer Services	283	19	0	218	84	0	104	47.71
Commercial Services	18	0	0	18	0	0	0	0.00
Total Expenditure - General	109,092	75,588	9,441	93,009	86,654	14,452	51,257	55.11

Summary of the 2020/21 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Dec-20)	% Spend against CY Forecast
		2020/21	2021/22	2022/23	2020/21	2021/22	2022/23		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Not yet started</i>	18	0	0	0	18	0	0	
	<i>Work commenced</i>	8,899	0	0	8,899	0	0	6,490	
	<i>Scheme completed</i>	15	0	0	15	0	0	14	
	<i>Completed retention o/s</i>	566	0	0	566	0	0	495	
	<i>Demand led</i>	1,768	400	0	956	1,213	0	305	
Total: Childrens Service		11,266	400	0	10,436	1,231	0	7,304	69.99
	<i>Not yet started</i>	874	648	0	74	800	648	5	
	<i>Work commenced</i>	559	0	0	297	263	0	14	
	<i>Scheme completed</i>	215	0	0	215	0	0	215	
	<i>On hold</i>	873	1,050	0	750	1,170	0	639	
	<i>Demand led</i>	1,599	536	35	810	1,041	320	185	
	<i>Feasibility Stage</i>	554	0	0	554	0	0	458	
Total: Adults; Housing and Health		4,674	2,234	35	2,700	3,274	968	1,516	56.15
	<i>Not yet started</i>	60	0	0	60	0	0	0	
	<i>Design stage</i>	250	0	0	250	0	0	0	
	<i>Out to tender</i>	3,930	0	0	930	3,000	0	7	
	<i>Work commenced</i>	11,605	2,757	2,050	11,020	3,343	2,050	4,263	
	<i>Scheme completed</i>	232	0	0	7	0	0	7	
	<i>Completed retention o/s</i>	64	0	0	64	0	0	0	
	<i>On hold</i>	1,450	3,434	400	830	3,659	795	621	
	<i>Demand led</i>	1,416	296	0	1,636	296	0	369	
Total: Environment, Highways & Counter Fraud		19,007	6,487	2,450	14,797	10,298	2,845	5,267	35.60
	<i>Not yet started</i>	3,940	5,385	4,974	1,991	6,527	5,764	34	
	<i>Design stage</i>	2,106	4,035	0	1,697	4,466	0	976	
	<i>Contract formation</i>	131	0	0	0	131	0	0	
	<i>Work commenced</i>	40,121	31,802	900	40,059	31,862	900	28,505	
	<i>Scheme completed</i>	393	0	0	359	29	0	283	
	<i>Completed retention o/s</i>	161	0	0	161	0	0	12	
	<i>On hold</i>	1,600	11,315	762	1,350	11,565	762	1,101	
	<i>Demand led</i>	3,146	2,084	0	2,136	3,094	0	233	
	<i>Feasibility Stage</i>	815	0	0	250	565	0	92	
Total: Place		52,413	54,621	6,636	48,003	58,239	7,426	31,236	65.07

Summary of the 2020/21 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Dec-20)	% Spend against CY Forecast
		2020/21	2021/22	2022/23	2020/21	2021/22	2022/23		
	<i>Not yet started</i>	1,590	488	50	100	1,613	415	0	
	<i>Design stage</i>	30	200	0	30	200	0	0	
	<i>Out to tender</i>	37	0	0	37	0	0	0	
	<i>Work commenced</i>	8,690	120	30	6,470	2,340	30	2,390	
	<i>Scheme completed</i>	145	1,000	0	145	1,000	0	127	
	<i>Completed retention o/s</i>	125	0	0	125	0	0	17	
	<i>On hold</i>	534	5,838	240	5	3,883	2,724	0	
	<i>Demand led</i>	894	53	0	539	364	44	169	
Total: Finance, Governance and Property		12,045	7,699	320	7,451	9,400	3,213	2,703	36.28
	<i>Not yet started</i>	70	0	0	70	0	0	18	
	<i>Work commenced</i>	9,080	3,698	0	9,080	3,698	0	3,152	
	<i>Scheme completed</i>	0	0	0	0	0	0	-77	
	<i>Demand led</i>	236	430	0	236	430	0	34	
Total: HR, OD and Transformation		9,386	4,128	0	9,386	4,128	0	3,127	33.32
	<i>Work commenced</i>	278	0	0	213	65	0	99	
	<i>On hold</i>	5	19	0	5	19	0	5	
Total: Customer Services		283	19	0	218	84	0	104	47.71
	<i>Work commenced</i>	18	0	0	18	0	0	0	
Total: Commercial Services		18	0	0	18	0	0	0	0.00
Total Expenditure - General Fund		109,092	75,588	9,441	93,009	86,654	14,452	51,257	55.11

Summary of the 2020/21 Housing Revenue Account Capital Programme	Approved Budget			Projected Outturn			CY Spend (Dec-20)	% Spend against CY Forecast
	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23		
Adults, Health and Housing	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Provider Services	6,651	2,014	155	5,850	2,131	155	3,013	
Better Care	23,041	0	0	16,688	6,353	0	7,547	
Total Expenditure - HRA	29,692	2,014	155	22,538	8,484	155	10,560	46.85

Summary of the 2020/21 Housing Revenue Account Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Dec-20)	% Spend against CY Forecast
		2020/21	2021/22	2022/23	2020/21	2021/22	2022/23		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Design stage</i>	12	0	0	12	0	0	13	
	<i>Work commenced</i>	29,303	1,890	155	22,155	8,360	155	10,235	
	<i>Completed retention o/s</i>	377	124	0	371	124	0	312	
Total Adults, Health and Housing - HRA		29,692	2,014	155	22,538	8,484	155	10,560	46.85

GENERAL FUND SCHEMES**Appendix 3**

Scheme Reprofileing	Reprofileing £000's	Reason
Redevelopment of Household Waste & Recycling Centre (Linford) (N0280)	(3,000)	Reprofile of budget to align with expected spend.
LFFN / WAN Upgrade	(1,970)	Project progressing well, re-profileing of budget to match expected spend.
Kerb It - Highways (E1870)	(1,000)	Project placed on hold due to COVID-19.
A126 Improvements	(907)	Government funding expected Mar-21, with works expected to start in 2021/22. Re-profile of budget to match anticipated spend.
Ship Lane Day Room	(800)	Reprofile of budget to align with expected spend.

9 March 2021	ITEM: 9
Corporate Overview & Scrutiny Committee	
Asset Disposals	
Wards Affected: All wards	Key Decision: Key
Report Author: Sean Clark – Corporate Director of Finance, Governance and Property	
Accountable Assistant Director: Michelle Thompson – Acting Assistant Director of Property	
Accountable Director: Sean Clark – Corporate Director of Finance, Governance & Property	
This report is public	

Executive Summary

This report sets out proposals for the disposal of property assets during the next 12 month period. It is government policy that local authorities should dispose of surplus and under-used land and property wherever possible.

The Council generally has fairly wide discretion to dispose of its assets (such as land or buildings) in any manner it wishes. When disposing of assets, the Council is subject to statutory provisions, in particular, to the overriding duty, under section 123 of the Local Government Act 1972, to obtain the best consideration that can be reasonably obtained for the disposal. This duty is subject to certain exceptions that are set out in the General Disposal Consent (England) 2003.

The way the Council manages its land/property assets can have a significant impact both on the quality of services delivered to the public and the local environment. Effective asset management is essential in bringing 'agility' to land and property assets so that the delivery of the Council's visions and objectives are realised in a sustainable manner, at the right time and on budget.

The Council has commenced an Asset Review of all Council Assets under the broad headings of Operational, Community and other assets categorised under a 3R's approach Reuse, Retain and Release.

The assets reviewed represent a mix of locations, uses and a variation of those that could be short, medium or long term as well as being disposed of by private treaty, public auction or tender.

The Asset Review considers the business case for disposing of any assets that are no longer of any use to it and is unlikely to be in the future or which provides only a benefit that is proportionate to the opportunity cost of the capital tied up in the asset. Each asset disposal is treated on its own merits and nothing in this report will bind the Council to a particular course of action in respect of a disposal.

This report brings forward the first nine assets for disposal whilst also setting out a policy to inform disposal and a draft process when considering assets suitable for meeting the local and national priority of additional housing.

1. Recommendations:

1.1. That Corporate Overview and Scrutiny comment on the content of this report and proposed policy set out as Appendix 1.

2. Issues, Options and Analysis of Options

2.1. In considering any disposal the Asset Review would have to consider the assets against the table below to consider the rationale for Reuse, Retain or Release.

WEIGHTING	1	2	3	4	5
Type of Asset	Core Business	Operational	Strategic holding	Investment	For Disposal
Operational Fit	Excellent	Good	Fair	Poor	Unacceptable
Utilisation	Very High	High	Reasonable	Poor	Inadequate
EPC	A/B	C/D	E	F	G
Condition	Excellent	Good	Fair	Poor	Unacceptable
Occupation Costs	Economical	Below Average	Average	Above Average	Uneconomical
Best use value	Yes	Partly	50 -50	No	Inappropriate
Good neighbour	Excellent	Good	Fair	Poor	Bad
Cost to vacate	Low	Affordable	Marginal	Unaffordable	High
Market demand	Strong	Good	Probable	Unlikely	
Others					

2.2. This report sets out the options available for the council’s portfolio that are then assessed as surplus or under-used assets.

2.3. All assets for potential release would require further scrutiny by the Property Team, property occupiers (where appropriate/applicable) and Members. Further scrutiny would result in the “release list” being evaluated and prioritised according to factors such as:

- Cost of holding;
- Potential value from disposal;
- Ease of /or constraint on sale;

- Site preparation considerations/de-risking and associated costs; and
 - Any wider economic or social benefit of retaining.
- 2.4. Once this has been assessed further disposals of assets maybe brought forward.
- 3. Option 1: Do nothing – Retain the assets, Business as usual, little need or opportunity for change identified**
- 3.1. These assets have been assessed as needing to be retained to support Council business in their existing position. However, this is not say that no further work is required on these premises. They will continue to be maintained and in some instances will require improvement or refurbishment at some future stage. Furthermore, as the review process is established within the Council, their continuing use and occupation will be subject to periodic review and their status
- 4. Option 2: Reuse – For different services or more intensive or changed use**
- 4.1. Many of the assets within this category are subject to ongoing review by the occupying service directorate and it is envisaged proposals will either come forward at the conclusion of those reviews (e.g. leisure, environmental) or through further discussion between the Service and Corporate Property.
- 5. Option 3 Release - Dispose of the site immediately or develop for housing**
- 5.1. A review has been undertaken of the properties listed in Appendix 2 and it is recommended that they are released.
- 5.2. A rationalisation programme to continue with the reviewing of assets, releasing those no longer required in a structured manner to realise capital and or support wider regeneration or housing via affordable housing requirements.
- 5.3. Release in some instances will free the Council from poor performing properties from a compliance, economic and statutory requirement.
- 6. Housing Delivery**
- 6.1. Appendix 3 sets out the options for disposal when the assets would be suitable for housing delivery. The main options include:
- Straight disposal to the private sector;
 - Joint venture with a private or public sector partner;
 - The Housing Revenue Account; or
 - Thurrock Regeneration Delivery.

- 6.2. The process for determining the chosen route will be subject to further reports to Overview and Scrutiny and the Cabinet on Housing Delivery.

7. Reasons for Recommendation

- 7.1. The disposal of surplus assets will support the agreed budget for 2021/22. This report proposes a framework that will ensure assets are considered and disposed of in an equitable and transparent way.

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

- 8.1. There has been consultation with services and Directors' Board on the proposed assets in Appendix 2.

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

- 9.1. Assets that are not required for the delivery of council services directly will add benefit to the residents through alternative ownership be it for additional housing or a community facility.

10. Implications

10.1. Financial

Implications verified by: **Sean Clark**
**Corporate Director of Finance, Governance
and Property**

There are two distinct financial benefits from the disposal of surplus assets. Firstly, assets can incur running costs and so this creates a saving. Secondly, income received from disposal, a capital receipt, can be used to meet the costs of transformational activity and also pay for capital expenditure, thus avoiding the need for prudential borrowing and the associated revenue costs.

The disposals included within this paper will contribute towards the target set out within the budget papers for 2021/22.

10.2. Legal

Implications verified by: **Ian Hunt**
**Assistant Director of Law and Governance,
and Monitoring Officer**

The Council is generally empowered to dispose of assets which are underperforming or surplus to requirements. Each asset will need to be checked to ensure its formal ownerships and appropriation enable general disposal with terms to be confirmed. The policy in Appendix 1 sets out the most common restrictions on the management of Council assets and highlights these areas.

A final analysis of the legal title and terms of disposal will be included in the disposal decision report.

10.3. Diversity and Equality

Implications verified by: **Rebecca Lee**
Team Manager – Community Development and Equalities

The Asset Disposal Policy sets out considerations for bringing agility to land and property assets so that the delivery of the Council's goals and objectives are realised in a sustainable manner, at the right time and on budget. The policy itself will be the subject of a Community Equality Impact Assessment to mitigate the risk of negative impact on citizens and communities. Where community assets are identified for disposal, the process set out for the implementation of the CAT Policy and principles of the Collaborative Communities Framework will be applied, this includes the completion of CEIA's on a case by case basis, engagement with the voluntary and community sector, and an assessment of social value that includes support for Thurrock's recovery from COVID-19 and building resilience within communities and voluntary sector networks.

10.4. **Other implications (where significant)** – i.e. Staff, Health, Sustainability, Crime and Disorder, and Impact on Looked After Children)

Assets are used for a range of purposes including direct service delivery, use by community groups and residents.

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

- There are various working papers within the property and service sections.

12. **Appendices to the report**

- Appendix 1 – Disposal Policy
- Appendix 2 – Properties considered for immediate disposal
- Appendix 3 – Housing Delivery Options

Report Author:

Sean Clark

Corporate Director of Finance, Governance & Property

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**POLICY ON
THE DISPOSAL OF SURPLUS & UNDERUSED LAND & PROPERTY
OWNED BY THE COUNCIL**

1. AIMS OF THIS POLICY

- 1.1. It is government policy that local authorities should dispose of surplus and under-used land and property wherever possible. The Council has fairly wide discretion to dispose of its assets (such as land or buildings) in any manner it wishes. When disposing of assets, the Council is subject to statutory provisions, in particular, to the overriding duty, under section 123 of the Local Government Act 1972, to obtain the best consideration that can be reasonably obtained for the disposal. This duty is subject to certain exceptions that are set out in the General Disposal Consent (England) 2003.
- 1.2. The way the Council manages its land/property assets can have a significant impact both on the quality of services delivered to the public and the local environment. Effective asset management is essential in bringing 'agility' to land and property assets so that the delivery of the Council's goals and objectives are realised in a sustainable manner, at the right time and on budget.
- 1.3. The Council considers the business case for disposing of any assets that are no longer of any use to it and is unlikely to be in the future or which provides only a benefit that is disproportionate to the opportunity cost of the capital tied up in the asset.
- 1.4. Each asset disposal is treated on its own merits and nothing in this Policy will bind the Council to a particular course of action in respect of a disposal. Alternative methods of disposal not specifically mentioned in this Policy may be used where appropriate, subject to obtaining the necessary authority (see section 9 below).
- 1.5. This Policy:
 - sets out the procedure to be adopted in connection with the disposal of surplus and under-used assets and ensures that requests to purchase Council owned assets are dealt with in a fair and consistent manner and that any person who may have an interest in making an offer to purchase, has the opportunity to do so in circumstances no less favourable than anybody else; and
 - distinguishes requests for small areas of land that may be considered for sale by private treaty and larger areas with development potential that should be sold on the open market.
- 1.6. Although this Policy will normally be followed, there will be occasions where the procedure may need to be changed, particularly for larger, more complex land/property sales.

2. THE 'SURPLUS' TEST

Land/property will be deemed surplus to the Council's requirements where:

- (a) it makes no contribution to the delivery of the Council's services, strategic or corporate objectives;
- (b) an alternative site has been identified which would be more cost effective in delivering the Council's services, strategic or corporate objectives;
- (c) it has no potential for strategic or regeneration/redevelopment purposes in the near future;
- (d) it will not contribute to the provision of a sustainable pattern of development;
- (e) it makes no contribution to protecting and enhancing the natural, built and historic environment, including making no contribution to helping to improve biodiversity.

The Council is required to publish details of land/property which it has declared surplus to requirements¹.

3. THE 'UNDER-USED' TEST

Land/property will be deemed to be under-used if:

- (a) part of the site is vacant and is likely to remain vacant for the foreseeable future;
- (b) the income being generated from the site is consistently below that which could be achieved from:
 - (i) disposing of the site and investing the income;
 - (ii) an alternative use; or
 - (iii) intensifying the existing use;
- (c) only part of the site is used for service delivery and this could be delivered from an alternative site;
- (d) It makes no contribution to protecting and enhancing the natural, built and historic environment, including making no contribution to helping to improve biodiversity.

In the case of open spaces, amenity areas and similar sites, the under-used test should also consider the 'community value's set out in the Localism Act 2011 and specifically Community Right to Bid legislation*, in addition to visual amenity and not be limited solely to income generation or whether the site is vacant etc.

¹Local Government Transparency Code 2015

*The Assets of Community Value (England) Regulations 2012 (further info for author here: <https://www.legislation.gov.uk/ukdsi/2012/9780111525791/contents>)

The Council is required to publish details of land/property which it has deemed to be under-used².

4. MEANING OF DISPOSAL

For the purposes of this Policy, a disposal means any freehold disposal, by sale or exchange, of Council owned land/property (including buildings) and any disposal by the granting of a lease or licence for a period greater than seven years. Leases of seven years or less or assignment of a term which has not more than seven years to run are not covered by this Policy, as they are exempt from the statutory requirement to obtain best consideration.

Disposal takes place at the time of completion and not exchange³.

5. MEANING OF BEST CONSIDERATION

‘Best consideration’ means achieving maximum ‘value’ from the disposal, not just maximum price. Disposal at less than market value will incorporate assessment of social value and specifically the ‘promotion or improvement of the economic, social or environmental wellbeing of the area’ [see section 1.2 of Appendix 1].

Unlike private and commercial landowners, a local authority is in the position of a trustee in relation to the land that it holds on behalf of the community and has a statutory duty to sell land at the best price reasonably obtainable. The Council will only be able to demonstrate that it achieved the best consideration by obtaining an appropriate valuation of the land.⁴

6. MEANS OF IDENTIFYING SURPLUS OR UNDER-USED LAND/PROPERTY

Surplus or under-used land/property may be considered for disposal:

- (a) following an asset review;
- (b) following the identification of development opportunities;
- (c) through a corporate property portfolio review;
- (d) through the declaration of specific sites as being surplus to requirements;
- (e) through the Local Plan designation;
- (f) following a direct approach from an interested party;
- (g) where the disposal helps to deliver other Council objectives e.g. the provision of housing in the borough;
- (h) where management of the land/property is considered suitable for community ownership or has been determined as an ‘asset of community value’.

²Local Government Transparency Code 2015

³Section 128(2) Local Government Act 1972 and R (on the application of Structadene Ltd) v Hackney LBC [2001] 2 All ER 225

⁴(Whitstable Society v Canterbury City Council [2017] EWHC 254 (Admin) (15 February 2017))

*Where an under-used asset is generating an income, a cost/benefit analysis must be carried out to establish whether it is in the Council's best interests to dispose of the site.

7. DISPOSAL CRITERIA

7.1. **Open space (including, parks, playing fields & informal open spaces (excluding amenity land on Council housing estates) of 'public value' whether or not there is public access to it**– assets in this category are considered to be valuable community resources, to be enjoyed by the wider community. Open space also enhances the quality of urban life, the character of residential areas, the environment etc. There will be a general presumption against declaring these assets as surplus/under-used unless:

1. alternative provision of equivalent community benefit is made in the locality; or
 2. the area in question no longer provides a valued opportunity for sport, recreation or leisure; or
 3. there is an excess of provision taking into account the long term recreation and amenity value of such provision; or
 4. sport, recreation and leisure facilities can be retained and enhanced through the redevelopment of a small part of the site;
 5. there is over provision in the area;
 6. the asset is required for the regeneration of the area.
- (a) The Council is required by law to advertise the disposal of land designated as 'public open space' in a local newspaper for two consecutive weeks and to consider any objections received. No final decision about the disposal will be made until any objections have been considered by Cabinet, as the response may be material to the decision. Public response may also be an important factor in any determination by the Secretary of State of an application by the Council for specific consent to the disposal.
- (b) There will be a general presumption against disposal of land designated as 'Green Space' through the Local Plan.

Unlike private and commercial landowners, a local authority is in the position of a trustee in relation to the land that it holds on behalf of the community and has a statutory duty to sell land at the best price reasonably obtainable. The Council will only be able to demonstrate that it achieved the best consideration by obtaining an appropriate valuation of the land.⁵

72. **Amenity land** - certain rights, environmental or economic conditions may preclude the sale of amenity land for example:

- (a) the land is subject to rights of way over it;

- (b) the land is a landscaping feature of the local environment, or designated public open space;
- (c) sale of the land would incur additional costs for the Council (for example, the re-siting of lamp posts or telephone cables) unless the applicant is willing to finance the additional costs (payable in advance);
- (d) the land has been identified for future regeneration or development by the Council;
- (e) following a request to purchase amenity land, a review identifies future regeneration or development opportunities for the Council;
- (f) the sale of the land may prejudice future development by the Council;
- (g) there are management or other issues that would cause inconvenience to the Council if the land was to be sold.

Approaches from private individuals to buy Council owned amenity land (e.g. green space land on council housing estates) to benefit their existing residential property will be considered where:

- there is a broader community benefit to the disposal e.g. a rationalisation of small parcels of 'backland' open space, either rarely used or often misused; or
- there are management/financial issues for the Council e.g. the land is costly to maintain; or
- the applicant has extenuating circumstances e.g. there are health grounds in relation to the applicant and/or their family and the sale of the land would improve their quality of life and would not adversely affect the quality of life of others in the neighbourhood – (the applicant will need to provide evidence to support and justify the application to purchase).

Where the Council considers that amenity land has development potential and agrees to dispose of the land, the valuation will reflect this. An overage clause may be applied and/or restrictive covenants placed on any future development.

The Council as landowner may, through a development agreement, engage a developer to carry out the development of the site on its behalf. Arrangements may comprise a grant of a lease of the whole site with the developer receiving a fee based partly upon the development value. In circumstances where there is a development agreement or the grant of a lease associated with the disposal, this may trigger the need for an appropriate tendering exercise [see Appendix 1, section 1.9].

⁵ (Whitstable Society v Canterbury City Council [2017] EWHC 254 (Admin) (15 February 2017).)

Disposals of amenity land will normally be by private treaty. However, where the Council considers that the amenity land may be of interest to persons other than the applicant, the Council may dispose of the land on the open market.

The procedure for the disposal of amenity land is detailed in Appendix 2.

73. Commercial Properties - There will be a general presumption against declaring the following categories of assets as surplus/under-used:

1. units designed to meet the needs of new and developing small businesses where there is anticipated to be demand for such units from different occupiers in future;
2. offices/rooms within business centres that have communal reception areas, facilities and services;
3. shop units where there is a community need for continued retail occupation, or where the integrity of a building or parade of shops might be adversely affected by the sale of individual units;
4. sites in industrial estates and sensitive locations where management control by the Council is required to ensure that amenity is maintained;
5. land or property which provides revenue income for the Council where disposal would adversely impact on the Council's revenue budget.

74. Allotments

Where land has been purchased or appropriated by the Council for use as statutory allotments, the Council cannot, without the consent of the Secretary of State, sell, appropriate, use or dispose of the land for any purpose other than use for allotments⁶.

The Council will consider the disposal of an allotment against the following criteria, having regard to the Secretary of State's guidance on allotment disposal:

1. The allotment in question is not necessary and is surplus to requirement;
2. The number of people on the waiting list has been effectively taken into account;
3. The Council has actively promoted and publicised the availability of other sites and has consulted the National Allotment Society; and
4. the implications of disposal for other relevant policies, in particular, the local plan have been taken into account.

⁶ Section 8 Allotments Act 1925

75. Assets of Community Value

Every town, village or neighbourhood is home to buildings or amenities that play a vital role in local life. They might include community centres, libraries, swimming pools, village shops, markets or pubs. Local life would not be the same without them, and if they are closed or sold into private use, it can be a real loss to the community.

In line with the council's Community Asset Transfer Policy – the Localism Act 2011 (Section 88 (1) and (2)) has been used to define an asset of community value in Thurrock as:

A building or other land in the local authority's area that:

(a) Has an actual current use of the building or other land that is not an ancillary use, furthers the social wellbeing or social interests of the local community, and;

(b) It is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.

(c) Has furthered the social wellbeing or social interests of the local community in the recent past, and which it is realistic to consider will do so again during the next five years.

The Council maintains a list of land and buildings which may from time to time be nominated by the local community as an 'asset of community value'.

In reviewing the future of any asset, the Council will assess all the options, to be sure that it obtains best value. Options include using the asset in a different way, disposing of it on the open market or transferring it to a voluntary or community organisation at less than best consideration to achieve wider social benefits in line with the Community Asset Transfer Policy.

The Council may either advertise all community asset transfer opportunities or consider transfer requests from organisations which currently manage a property, without seeking other bids.

A community asset transfer should contribute to the Council's policies and targets. Where there are competing interests, the Council will consider which of the proposals put forward are viable and sustainable in the long term. The Council will deal with competition for a specific asset by identifying its social value, key objectives in that area, using, for example, deprivation indices, local priorities and the current mix of buildings and services in the area and assess which bid best meets those objectives.

8. MARKETING STRATEGY

Where applicable, the valuer, in consultation with the relevant Director, will determine the marketing strategy for the disposal of surplus or under-used land/property. The marketing strategy may be conducted either in-house or through an external agent. Costs should be recovered from the eventual purchaser.

9. VALUATIONS

91. Although there is no particular prescribed route to achieve the best price reasonably obtainable, there may be circumstances in which an actual sale to the market is the only way to achieve it as opposed to one particular sale at a price according to an independent valuation.
92. Before disposing of any interest in land for a price, which may be less than the best consideration reasonably obtainable, the valuer will ensure that a realistic valuation of that interest is obtained. This will apply even for disposals by means of formal tender, sealed bids or auction, and irrespective of whether the Council considers it necessary to make an application to seek the Secretary of State's specific consent. By following this procedure, the Council will be able to demonstrate that it has adopted a consistent approach to decisions about land disposals by carrying out the same step by step valuation process on each occasion. Supporting documents will provide evidence, should the need arise, that the Council has acted reasonably and with due regard to its fiduciary duty.
93. The return from any disposal is to be maximised unless there are over-riding factors identified by Cabinet, that take precedence over the receipt of capital e.g. preferred use or preferential purchaser.
94. In accordance with the General Services Committee 17 October 2019 there are presently no scheme of delegations to officers and all decisions must be made by Cabinet with the exception of disposals up to £200,000 that are delegated to the Leader of the Council.
95. Ward Councillors will be notified prior to the presentation at Cabinet of a disposal release report to enable them to provide timely commentary on any particular disposal.
96. Except with the consent of the Secretary of State, the Council cannot dispose of land otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained.
97. Disposals of land/property by way of a short tenancy, for a consideration less than the best that can reasonably be obtained, will only proceed on the specific authority of Cabinet justifying the reasons for disposal at less than the best that can reasonably be obtained.
98. The Council is required by law to advertise the disposal of land designated as 'public open space' in a local newspaper for two consecutive weeks and to consider any objections received. No final decision about the disposal will be

made until any objections to the disposal have been considered by Cabinet [see section 6.1.(a) above].

99. The disposal of assets of community value will follow the process set out in the Community Asset transfer Policy.
- 9.10. The marketing strategy for sites identified by the relevant Director as being 'strategic', will require Cabinet approval.

⁸The grant of a term not exceeding seven years, or the assignment of a term which at the date of the assignment has not more than seven years to run

10. MEANS OF DISPOSAL

1. **Private Treaty** – a sale of land/property negotiated with one or a small number of interested parties either through a direct approach from an individual(s) or through a marketing exercise.

A private sale without marketing the land may be justified where for example:

- (a) the land to be disposed of is relatively small in size and an adjoining or closely located landowner is the only potential or likely purchaser;
 - (b) the Council's corporate objectives and best consideration can best be achieved by a sale to a particular purchaser;
 - (c) the purchaser has a particular interest in purchasing the land or a particular association with the land;
 - (d) the nature of the Council's land ownership and that of the surrounding land ownership is such that the land must be sold to adjoining or surrounding landowners if best consideration is to be obtained;
 - (e) the Council's land is part of a larger area of land that is proposed for development, redevelopment or regeneration and the nature and complexity of the proposed development of the overall site is such that the Council's corporate objectives and best consideration can only be achieved by a sale to a purchaser with an existing interest in land in the area.
2. **Public Auction** – a sale of land/property by open auction available to anyone. The sale will be publicly advertised in advance. A binding legal agreement is created upon the acceptance of a bid by the auctioneer. Reasons justifying sale by this method and how the reserve price is determined must be recorded in writing.
 3. **Formal Tender** – a sale of land/property by a process of public advert and tenders submitted by a given date. This is a suitable mechanism where there are identified development proposals. A fair and transparent tender process will

need to be adopted.

4. **Exchange of Land** – a transaction involving the exchange of Council owned land with another land owner. The land acquired by the Council will meet at least one of its corporate objectives and will be 'equal' in commercial worth to the land exchanged whether from the value of the land itself or where a payment is made in addition to the land exchanged.
5. **Informal Negotiated Tender** – a transaction involving a public advert that requests informal offers or bids that meet a given specification or set of objectives. The Council may then negotiate further or more detailed terms with one or more individuals who submitted the most advantageous bid or bids.

11. TIMING OF DISPOSALS & DUE DILIGENCE

- 11.1. The **timing** of any marketing/disposals will need to be considered against the background of the current market conditions, potential for the site value to increase in the future, whether there is a need to raise capital receipts and current planning policies.

In order to properly assess the likelihood of and business case for disposal, the asset holding department in consultation with Legal Services and/or the valuer will carry out early **due diligence** on land/property identified as surplus or under-used. In particular, the asset holding department will consider the following issues which have the potential to prohibit disposal or influence the sale price:

- 11.2. **Reviewing the title** - Once surplus land/property has been identified and a prima facie business case made for its disposal, the title is reviewed to identify whether there are any title issues, which may impact upon the disposal process.
- 11.3. **Unregistered land** - If the land and property identified for disposal is unregistered, then it is important that the title deeds are located as soon as possible and checked for evidence of the Council's title. This can be achieved through a voluntary application to the Land Registry to register the land/property before it is put on the market.
- 11.4. **Restrictive covenants** - The land/property may be subject to restrictive covenants, which limit or restrict its use or the extent to which development can be carried out on it. Whether these are a concern will depend upon the likely use of the land/property following disposal, particularly where surplus land/property is being sold for re-development. A restrictive covenant against a certain type of development may have a significant adverse effect on the land value.
- 11.5. It is possible to apply to the Lands Tribunal under section 84 of the Law of Property Act 1925 for the release or modification of restrictive covenants in some circumstances. This can be a time consuming process and it is usually better undertaken before the land/property is placed on the open market. Alternatively, it is often possible to obtain restrictive covenant indemnity insurance against future losses for breach of a restrictive covenant and a policy with an adequate limit of indemnity cover will satisfy most purchasers.

- 11.6. It is very important that no negotiations are carried out with any adjoining or

nearby owners who may have or claim to have the benefit of the relevant covenant, prior to receiving legal advice. If negotiations do take place, then it could materially prejudice the Council's ability to obtain insurance cover against breach of the covenant.

- 11.7. **Ransom strip** - It will generally be sensible to resolve ransom strip issues prior to offering the property to the open market. It is crucial if the property is to achieve full value on the open market that it has adequate access rights. If development is anticipated, then access may need to be by a different route than that used historically, either because of a physical aspect of or defect with the existing access or for planning purposes or as a consequence of intensification of use. By whichever route access is obtained, a title review should be carried out to establish whether any ransom strips are present.
- 11.8. A ransom strip is an area of land which is owned by someone other than the Council. If access is only possible via a ransom strip, then the person with title to that strip will hold the key to unlocking the development potential of the land and that may involve payment to the ransom strip owner, either in return for a formal right of way or transfer of ownership of the strip. The conventional approach to valuing ransom strips has been to offer the ransom owner one-third of the uplift in value of the land/property released by unlocking it for development. However, any agreement will ultimately depend on market conditions and the specifics of the land/property and its locality.
- 11.9. **Rights of way and other easements** - It is important to establish the nature of any easements benefitting the land/property, so that any that are missing can be addressed, if possible. As well as access rights, the property may benefit from rights to run services over adjoining land, rights to light, rights of support or other property specific rights. It is also useful to check whether the land/property is subject to any rights which might adversely affect the proposed disposal and subsequent development, for example, public or private rights of way or rights of support.
- 11.10. **Retaining rights over adjoining land** - It may be the case where surplus land/property is being disposed of, that the Council will be retaining adjoining land. In that case, the Council will consider whether it needs to reserve any rights over the land/property being disposed of for the benefit of that adjoining land, most commonly, access to the public highway or mains utilities.
- 11.11. **Outline planning consent** - Assessing whether an application for a change of planning use might have the potential to increase the value of the surplus land/property. If the change of use is obtained by the Council, it removes an element of risk and uncertainty for potential buyers, which may lead to an increase in the purchase price that they are willing to pay.
- 11.12. **Development agreements** - The Council as landowner may, through a development agreement, engage a developer to carry out the development of the site on its behalf. Arrangements may comprise a grant of a lease of the whole site with the developer receiving a fee based partly upon the development value. In circumstances where there is a development agreement or the grant of a lease associated with the disposal, this may trigger the need for a tendering exercise

[see Appendix 1, section 1.9].

12. OTHER STEPS TO FACILITATE THE DISPOSAL PROCESS

- 12.1. When due diligence in accordance with section 11 of this Policy has been completed, there are a number of other steps that can be taken by the valuer to facilitate the disposal process and maximise the value received for the surplus or under-used land/property. The following will be considered:
1. Having regard to legislation and Secretary of State guidance governing the disposal process;
 2. Having regard to general guidelines which are applicable, for example, the Crichton Down rules which apply to most disposals by the Council of property acquired using compulsory purchase or under threat of compulsory purchase. Where the rules are applicable, there is an obligation to offer the property back to the original owner before it can be placed on the open market;
 3. Carrying out a site inspection to establish what specific issues there are on the ground, for example, drainage, boundary problems or illegal occupiers. It will also assist when instructing legal advisers or other professionals, who may only have seen the property on plans or in photographs. For some disposals, it may be appropriate for the various professionals to undertake a site visit;
 4. Producing a sales pack to circulate to interested parties, including title information and replies to standard pre-contract enquiries. The documents referred to in pre-contract enquiries such as copy planning consents, any asbestos surveys etc. should also be enclosed. In the case of large disposals, consider including a full set of standard property searches;
 5. Considering the most appropriate pricing structure. In some cases, it may be appropriate to use an overage arrangement whereby the Council receives future payments representing any uplift in value of the land/property once it has been developed or once it has been developed and sold on. Overage provisions and negotiations can be complex, so it would be sensible to discuss the preferred structure with the legal adviser and valuer prior to agreeing terms for the disposal of the land/property. A calculation of the overage that the Council is likely to receive and the likelihood of that sum being correct given changing market conditions will be important pieces of information in assessing the business case for disposal of surplus/under-used land/property.
 6. Considering whether the transaction is caught by the public procurement rules.
 7. Considering whether the transaction is caught by the State Aid rules.

13. OPTIONS

- 14.1 Where the Council wishes to grant an option, or an option holder wishes to exercise their option on land, which the Council holds, the Council will consider whether the consideration for either the grant or exercise of the option results in a discount. In relation to the exercise of an option, this will depend on the valuer's assessment of whether, if the option were to be exercised, the terms

would be likely to require the Council to accept less than the best price that could reasonably be obtained for that interest at the time of disposal and, if so, whether that would fall within the terms of the General Consent.

- 14.2 The matters which would need to be considered by the valuer are covered in paragraphs 20 and 21 of the Technical Appendix to Circular 06/2003. If, as a result of the valuer's advice, the Council wishes to seek specific disposal consent, it will provide the Secretary of State with full details of the terms of the option agreement which is to be entered into or implemented.

APPENDIX A

1. LEGAL POWERS

Section 123 - Local Government Act 1972

- 1.1 In general, the Council is required to achieve the **'best consideration reasonably obtainable'** when it is disposing of land⁹. Section 123 imposes a duty on the Council to achieve a particular outcome (namely the best price reasonably obtainable): it is not a duty to conduct a particular process (e.g. to have regard to particular factors).

If the disposal is under the 1972 Act, there is neither express power to include covenants on a disposal, nor a prohibition. Where the disposal is a lease, that lease will contain terms and similarly, on the conveyance/transfer of freehold property or on the assignment of a lease, covenants may likewise be included by virtue of section 111 of the 1972 Act.

Under Section 123(2A), the Council must follow certain statutory requirements to advertise the disposal of land that consists of or forms part of an **open space**.

General Consent

- 12 If the Council seeks to dispose of land or buildings at less than the market value, then it has to obtain the consent of the Secretary of State for Communities and Local Government. However, the Secretary of State has issued a number of 'general consents' i.e. a set of conditions which, if they apply to a particular transfer, means that the Council does not need to obtain specific permission to transfer at an 'undervalue'. However, the under value itself still needs to comply with 'normal and prudent commercial practices, including obtaining the view of a professionally qualified valuer'¹⁰.

The most important of these consents is the General Disposal Consent 2003¹¹ ('the General Consent') which permits the Council to dispose of land at less than its market value¹², without the need to seek specific permission from the Secretary of State, provided that:

⁹ For the purposes of Section 123, the only consideration to which regard may be had is that which consists of those elements of the transaction of commercial or monetary value, capable of being assessed by valuers: *R v Pembrokeshire CC ex p Coker* [1999] 4 All ER 1007; *R v Hackney LBC ex p Lemon Land* [2001] EWHC Admin 346 [2002] JPL 405

¹⁰ Circular 06/2003

¹¹ Annexed to Circular 06/2003

¹² 'Market value' means 'the best price reasonably obtainable for the property'. This is equivalent to the definition of 'market value' in the RICS Appraisal and Valuation Manual (the 'Red Book'), but including any 'Special Value' (i.e. any additional amount which is or might reasonably be expected to be available from a purchaser with a special interest like a former owner)."

- the purpose for which the land is to be transferred is likely to contribute to the 'promotion or improvement' of the economic, social, or environmental well-being of the area; and
- the difference between the market value of the land and the actual price paid for the disposal (if any), is not more than £2,000,000.

The General Consent has been issued to provide local authorities autonomy to carry out their statutory duties and functions and to fulfil such other objectives as they consider to be necessary or desirable. The General Consent does not require the Council to undertake a tendering process i.e. to market test a disposal. However, when disposing of land at an undervalue, the Council remains aware of the need to fulfil its fiduciary duty in a way which is accountable to local people. The Council will not divest itself of valuable public assets, unless it is satisfied that the circumstances warrant such action.

In justifying a disposal of land/property at undervalue, the Council will have regard to the following:

- what community benefits will be realised by the disposal;
- how the interests of local people will be better served by the disposal;
- the financial viability of the Council's plans for the land;
- the State Aid implications of the disposal;
- the Council's future plans for the land;
- the market value of the land and the difference between that and the proposed disposal value.

Allotment Acts 1908 to 1950

- 13 For disposal of land held under these Acts, the Council must obtain the consent of the Secretary of State for disposal other than for use as allotments.

Charities Act 2011

- 14 The Council is trustee of charitable land and property originally gifted to it under the terms of a trust deed. Here, the Council has additional responsibilities which arise from its role as trustee and will be subject to the more onerous disposal requirements set out in the Charities Act 2011.

It is for the Deed, Trust and Obligations Committee to consider whether charitable land/property is surplus to requirements/under-used in accordance with the requirements of the legislation, any directions issued by the Charity Commission and professional advice. The Committee must operate in a way which is in the best interests of the charities.

Housing Act 1985 (as amended)

- 15 Under s32 the local authority has the power to dispose of land and dwellings held for housing purposes. Secretary of State consent will be required unless the disposal is covered by one of the General Consents relating to the disposal of:

- vacant dwellings for owner occupation;
- occupied dwelling houses to secure tenants;
- dwellings to tenants who have the right to buy acquiring with others;
- dwellings on shared ownership terms;
- housing authority land; and
- reversionary interest in houses and flats.

Disposals are to be at market value, but discounts may be applicable to qualifying applicants.

Local Government Act 1988 – Section 25

- 1.6 The Council may provide a Registered Social Landlord with any financial assistance or gratuitous benefit of land for development as housing accommodation. This includes:

- land for development or access, easements and rights;
- dwelling houses for refurbishment;
- financial assistance for prevention of homelessness; and
- loans to RSLs.

The aggregate value of financial assistance or gratuitous benefit provided by the disposal or grant must not exceed £10 million.

Town and Country Planning Act 1990 – Section 233

- 1.7 The disposal of land **held for planning purposes**, follow principles similar to those of s123 of the Local Government Act 1972 and its requirement to obtain best consideration reasonably obtainable. However, it must be noted that the General Consent does not apply and a specific consent from the Secretary of State will be required if the Council is considering disposal at an undervalue.

Under s233(2), the Council must obtain the consent of the Secretary of State to dispose of **common land**, which may involve the requirement to provide land in exchange.

State Aid

- 1.8 All land/property disposals need to comply with State Aid rules¹³. When disposing of land 'at less than best consideration', depending on the nature of the transaction, the Council may be 'subsidising' the purchaser. Where this occurs, the Council must ensure that the nature and amount of subsidy complies with the State Aid rules, particularly if there is no element of competition in the disposal process. Failure to comply with the rules means that the aid is unlawful, and may result in the benefit, with interest, being recovered from the recipient.

Public Procurement

- 1.9 A straightforward disposal of land/property for a market value price will not be

caught by the Public Contracts Regulations 2006 rules. However, when disposing of land the Council is involved in determining the scope of the future development of its land and its intention is to impose on the purchaser certain obligations as to the nature of the development and also perhaps the standards to which the works must be constructed (usually through a development agreement or grant of a lease associated with the disposal), then where the values involved trigger the threshold, it is likely that such an arrangement may be construed as a public works contract triggering the need for a tender exercise

The applicability or otherwise of the public procurement rules will depend on the particular nature of the transaction, how it is structured and its detailed provisions. As a general rule, the risk will be higher the more the Council specifies its requirements for any full development and conversely will be lower the more the Council is willing to take a 'hands off' approach. The Council must therefore give due consideration to the possibility of public procurement rules applying to any particular disposal of land and obtain case-specific legal advice before entering into any agreement.

APPENDIX B

AMENITY LAND DISPOSAL

1. Approaches from private individuals to buy Council owned amenity land to benefit their *existing* residential property will be considered where:
 - there is a broader community benefit to the disposal e.g. a rationalisation of small parcels of 'backland' open space, either rarely used or often misused; or
 - there are management/financial issues for the Council e.g. the land is costly to maintain; or
 - the applicant has extenuating circumstances e.g. there are health grounds in relation to the applicant and/or their family and the sale of the land would improve their quality of life and would not adversely affect the quality of life of others in the area – (the applicant will need to provide evidence to support and justify the application to purchase).

2. Is it Council owned land?

Before applying to purchase land in accordance with section 11 below, please check that the land is owned by the Council. You can do this by contacting the Land Registry on 0333 880 1108 or email www.landregistry.gov.uk

3. Sale price

- 3.1 The Council is obliged by law to obtain the best price for any property, or parcel of land, which it sells.

- 3.2 The sale price is dependent on a number of factors. The price will be negotiated through the Council's valuer. You may seek your own independent advice. If you do so, please let us have the contact details of your appointed agent.
- 3.3 Even if one or more of the criteria in section 1 above apply, there may be other restrictions imposed on the land (such as restrictive covenants or planning policies) which result in the Council making a decision not to sell.
- 3.4 Where open space land is concerned, it may also be necessary for the proposals to be advertised and any objections considered.
- 3.5 Before any sale is approved, the Council's strategic priorities and planning policies will be considered and a recommendation to proceed will only be made if the sale has no adverse impact on the Council's priorities, policies etc.

4. Fees and other charges

- 4.1 Following the initial internal consultation process, should your application progress to the next stage, before we can start work on your application, you will need to pay the valuer's fee to offset the costs in processing your application e.g. inspection of the site, consideration of any restrictive covenants, Council policies and historical background, valuation of the site and production of a report.

Payment of the fee will not guarantee that your application is approved.

- 4.2 If the valuer agrees to the disposal and you wish to proceed, you will need to pay the Council's legal fees in advance of any legal work on your application.
- 4.3 As fees are reviewed on 1st April each year, please check the Council's fees and charges schedule on the website www.thurrock.gov.uk for the applicable fee
- 4.4 Any costs associated with making an application to the Secretary of State for consent and where applicable, advertisement costs, may be charged to you.
- 4.5 Fees and other costs must be paid in advance and are non – refundable. If the sale proceeds, on the completion date, you will also have to pay the agreed purchase price.
- 4.6 There are no exemptions to the payment of fees and ancillary costs. You will be provided with an invoice detailing the payment method.

5. Open market sale

The Council is obliged by law to sell land for the best price reasonably obtainable. This means that in some cases if the valuer considers that the land you have asked to purchase could be of interest to other parties or could be sold for development land, the Council must advertise it for sale on the open market. In such circumstances, you will be sent sales details once prepared and will be able to make an offer for the land along with any other interested party. Costs will be recovered from the eventual purchaser.

6. 'Right to buy' rules

The 'right to buy' rules only apply to Council house tenants who wish to purchase their Council house. These rules cannot be used to purchase additional parcels of land.

7. Legal advice

The Council's Legal Services cannot provide you with legal advice. We advise you to seek independent legal advice on your proposals. If you do so, please let us have your legal adviser's contact details. If you appoint a legal adviser, we will then deal with them direct. You are responsible for your legal adviser's fees.

8. Planning, building regulations and restrictive covenants

- 8.1 Planning consent may be required for change of use or development of the land, or for other matters such as fencing and boundary treatment. . It is likely that land not previously used for garden purposes, building extensions or parking etc. will need planning consent for a change of use. You are responsible for finding out if planning consent is required and you should make your own enquiries about this aspect of your proposals with Development Control, by contacting Planning:- Planning.Applications@thurrock.gov.uk
- 8.2 It is your responsibility to ensure that any consents required are obtained at your cost. Should you submit a planning application to include the Council's land, you must serve the appropriate notice addressed to Property & FM Services, Thurrock Borough Council, Civic Offices, New Road, Thurrock, Essex RM17 6SL. Please note that the Council's role as land owner is different to that of its role as local planning authority. Therefore, although you may be granted planning consent, this does not guarantee that your application to purchase Council owned land will be approved by the Council (as landowner).
- 8.3 When carrying out work on buildings, there are two issues that need to be considered - whether planning permission is required and whether building regulations consent is required. Work on buildings requiring building regulations consent may also require planning permission. Similarly, applications requiring planning permission may also require building regulations consent. You can do this by contacting Building Control:- Building.Control@thurrock.gov.uk
- 8.4 Any decision by the Council to sell the land to you is separate from any decision by the Council on your planning or full plan or building notice application. You must not assume that planning permission or building regulations consent will be granted automatically if for example you are intending to change the use of the land. It is your responsibility to check the planning status of the land and building regulations.
- 8.5 Planning and building control regulation fees are payable by you and are in addition to the Council's valuer's and Legal Services fees and other applicable costs charged under this Policy.
- 8.6 We will disclose any restrictive covenants relating to the land you wish to purchase.

9. Vehicular access

If you are proposing to access the land across the highway, please consult Thurrock Borough Council Highways Highways@thurrock.gov.uk

10. Complaints

10.1 There is no appeals procedure against a decision to refuse to sell you the land. However, if you feel that you have additional information, or justification to support your application that has not already been considered, or if you amend your application in some way, we may be able to process your application again, based on the new information. Please note that we reserve the right to charge further fees.

10.2 If you consider that the Council has not followed its procedures, you may raise a complaint through the Council's Corporate Complaints Procedure details of which are on the Council's website www.thurrock.gov.uk If you remain dissatisfied with the response, you may complain to the Local Government and Social Care Ombudsman.

11. How to apply

11.1 You can either complete an application form (see www.thurrock.gov.uk) or write to the Council. Your application must be accompanied by a sketch plan identifying the area of land you wish to purchase. Please detail as much information as possible, including the approximate dimensions of the land.

The requirement for applications to be submitted in writing, must be read in conjunction with the Equality Act 2010 and the requirement on the Council to make reasonable adjustments. An example of this would be in assisting you if you have a disability that prevents you from making your application in writing. In such cases, the Council may need to transcribe a verbal application and then produce a written copy for your approval.

The Council will also consider what support should be made available to you, where English is not your first language.

11.2 On receipt of your application, the Council will decide if it wishes to dispose of or keep the land/property you have requested to purchase. This involves an internal process of consultation with Council Officers before a decision is made and before any negotiations can take place. If at this stage, a decision is taken not to sell you the land/property, you will be notified in writing, with reasons.

If, following the initial internal consultation stage, the matter goes forward to the next stage, the valuer will ask you to pay a non-refundable fee plus VAT before he/she can start any work on your application.

Your application will not be progressed, until the valuer's fees have been paid.

11.3 Address your application to:

Property & FM
Thurrock Borough Council
Civic Offices
New Road
Grays
Essex
RM17 6SL

Or email

propertyfm@thurrock.gov.uk

12. Council valuer's decision

- 12.1 Providing your application meets the criteria referred to in section 1 above and the valuer's fees are paid in advance, within three months of receipt of the valuer's fee, the valuer will:
- (a) undertake any due diligence checks, inspect the site and value the land;
 - (b) write to you or your appointed agent, confirming whether the disposal is approved; and
 - (c) if approved, detail the terms for the disposal of the land and the price payable.

If the timescale cannot be met, the valuer will notify you.




- 12.2 If the disposal is approved by the valuer, it is for you to form a view on any restrictive covenants, the planning/building regulations position and the suitability of the land for your intended purposes. You proceed at your own risk.
- 12.3 If the disposal is not approved by the valuer, you will be notified of the decision in writing with reasons.

13. Land transfer process

- 13.1 Your acceptance of the valuer's terms and price payable for the land need to be confirmed in writing, addressed to the address above with payment in advance, of the Council's legal fees. The land transfer process will not be started, until the legal fees are paid. The Council's legal fees are in addition to any fees your solicitor may ask you to pay. Your solicitor's fees are your responsibility.

- 132 The transfer documentation will be prepared by the Council's Legal Services. Providing you have paid the Council's legal fees, the date for completion of the sale will vary depending upon the complexity of the matter and the type of searches and enquiries that are made by you or on your behalf but the process may take up to approximately 3 months from the date you notify the Council in writing, that you accept the terms and price to be paid for the land. If we require longer to process the transfer documentation, we will notify you.
- 133 Generally, the sale of the land is completed with no prior contract or deposit payment. You will pay the purchase price on completion.
- 134 Completion of the sale of the land ends the Council's involvement in the process. You will however need to deal with land registry registration and SDLT (stamp duty land tax) post completion.

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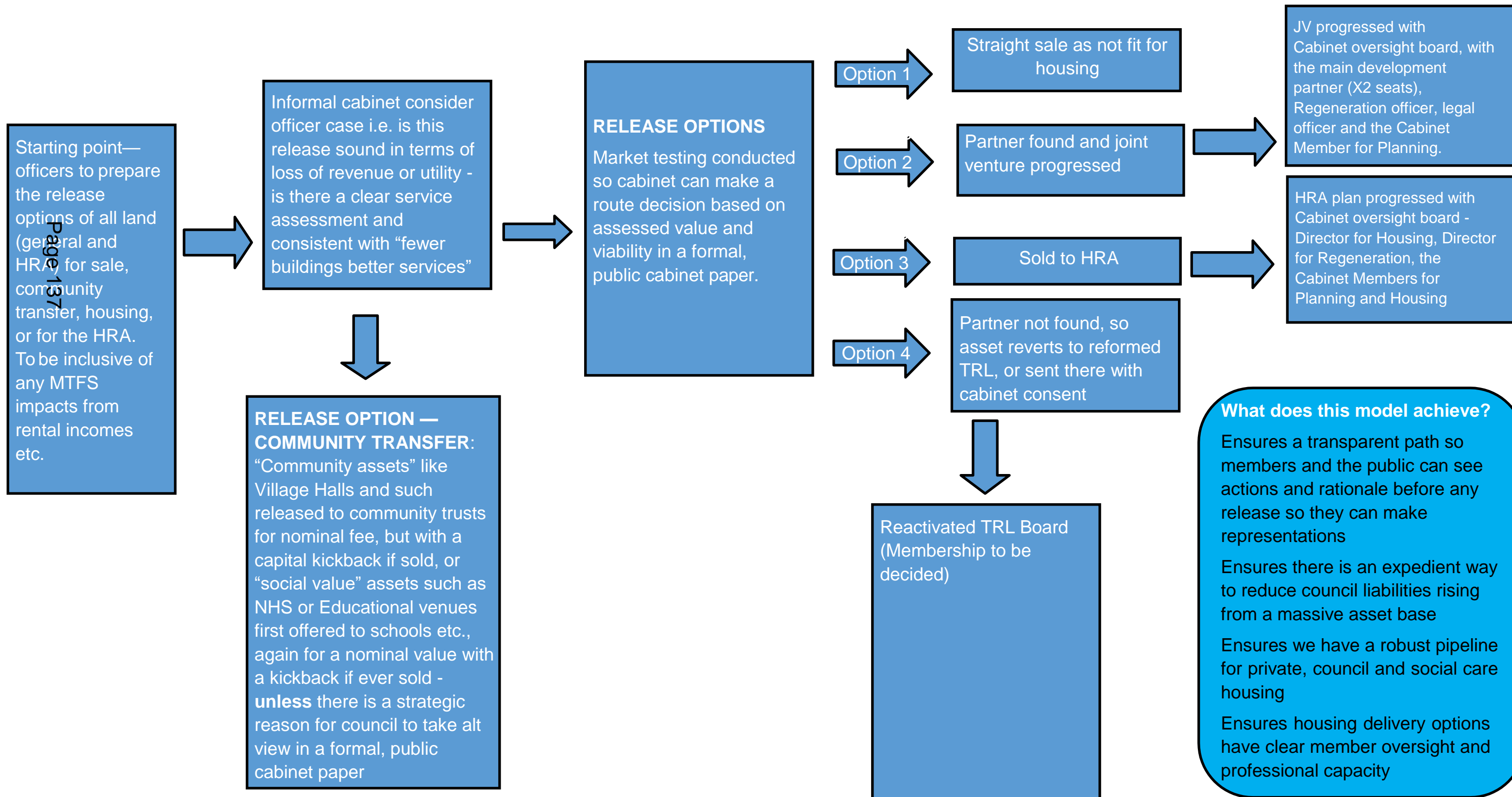
Property	Town	Post Code		Title No	Size	Method of Disposal
Community						
Belhus Boxing Club, Darenth Lane	South Ockendon	RM15 5LJ		EX25346	0.399 Acres, 1,617 Sqm	Private Treaty – Tenants in situ
3R's						
Page 133						
Teviot Avenue Ground Lease	Aveley	RM15 4QL		EX26234	2,603 Acres, 10,534 Sqm	Private Treaty – Tenants insitu
Lumen House	Corringham			EX107656	0.018 Acres, 76 Sqm	Private Treaty – tenants insitu or Auction

<p>Hogg Lane, adj Rates garage</p>	<p>Grays</p>	<p>RM17</p>		<p>EX889685</p>	<p>1.61 Acres, 6,552 Sqm</p>	<p>Private Treaty – Tenants in situ</p>
<p>64-82 Argent Street</p>	<p>Grays</p>	<p>RM17 6BS</p>		<p>EX860560</p>	<p>0.319 Acres, 1,293 Sqm</p>	<p>Auction or Formal Tender</p>
<p>Page 1 of 4 3 Clarence Road</p>	<p>Grays</p>	<p>RM17 6QJ</p>		<p>EX190121</p>	<p>0.035 Acres, 144 Sqm</p>	<p>Auction</p>
<p>Land Dell/Orsett Road</p>	<p>Grays</p>			<p>EX857022</p>	<p>1.49 Acres, 6,055 Sqm</p>	<p>Auction or Formal Tender</p>

<p>Purfleet Industrial Park Units 40-43</p>	<p>Purfleet</p>	<p>RM15 4YA</p>			<p>7.72 Acres, 31,265 Sqm</p>	<p>Release</p>
<p>Kerneos</p>	<p>West Thurrock</p>			<p>EX813271</p>	<p>14.70 Acres, 59,516 Sqm</p>	<p>Release</p>

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Appendix 3 - PROPOSED APPROACH TO HOUSING DELIVERY AND ASSET RATIONALISATION



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Work Programme

Committee: Corporate Overview and Scrutiny Committee

Year: 2020/21

Dates of Meetings: 9 June 2020, 8 September 2020, 10 November 2020, 21 January 2021, 9 March 2021

Topic	Lead Officer	Requested by Officer/Member
9 June 2020		
COVID19 – Financial and Budget Implications	Sean Clark	Member
Impact of COVID-19 on the Current Agile Working Programme	Jackie Hinchliffe	Member
Work Programme	Democratic Services Officer	Standard Item
8 September 2020		
Financial Update	Sean Clark	Member
Quarter 1 (April to June 2020) Corporate Performance Report 2020/21 and End of Year Corporate Performance Summary 2019/20	Sarah Welton/Karen Wheeler	Officer
Local Council Tax Scheme	Jonathan Wilson/Sean Clark	Member
Work Programme	Democratic Services Officer	Standard Item
10 November 2020		
Collaborative Communities Framework: 2021-2025	Natalie Smith	Member
Community Forums	Natalie Smith	Member

Work Programme

Topic	Lead Officer	Requested by Officer/Member
Overview and Scrutiny at Thurrock: A Review	Lucy Tricker/Matthew Boulter	Officer
Financial Update	Sean Clark/ Jonathan Wilson	Member
Mid-Year/Quarter 2 (April-September 2020) Corporate Performance Report 2020/21	Sarah Welton/Karen Wheeler	Officer
Connectivity & Wi-Fi Improvements	Sean Clark	Member
Work Programme	Democratic Services Officer	Standard Item
21 January 2021		
Communications Strategy Verbal Update	Karen Wheeler	Member
Draft General Fund Budget & Medium Term Financial Strategy Update	Jonathan Wilson/Sean Clark	Officer
Capital Strategy 2021/22	Jonathan Wilson/Sean Clark	Officer
Draft Capital Programme	Jonathan Wilson/ Sean Clark	Officer
Work Programme	Democratic Services Officer	Standard Item
9 March 2021		
Communications Update	Karen Wheeler	Member
Financial Update	Sean Clark	Member

Work Programme

Topic	Lead Officer	Requested by Officer/Member
Quarter 3 (April-December 2020) Corporate Performance Report 2020/21	Sarah Welton/Karen Wheeler	Officer
Memorandum of Understanding – Local Government Reorganisation	Ian Hunt/Sean Clerk	Officer
Asset Disposals	Sean Clark	Officer
Work Programme	Work Programme	Work Programme

Next Municipal Year:

- Scrutiny Review Update – November 2021
- Communications Strategy Update – June 2021
- Draft General Fund Budget & MTFS Update – January 2022
- Capital Strategy & Capital Programme – January 2022
- Quarter 1 Corporate Performance Report – September 2021
- Quarter 2 Corporate Performance Report – November 2021
- Quarter 3 Corporate Performance Report – March 2022

Clerk: Lucy Tricker

Updated: 1st March 2021

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