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Chief Executive

CABINET AGENDA

Date: Wednesday 15th June 2016

Time: 7.00pm

Venue: Council Chamber

This meeting will be webcast live on the internet.

Membership:

Councillor Riley	Chairman - Leader of the Council
Councillor Stanley	Finance and Resources
Councillor Dick	Health & Wellbeing
Councillor Mrs Egan	Homes and Customer Engagement
Councillor Howard	Waste, Floods and Water Management
Councillor Isaacs	Neighbourhoods, Safer Communities and Leisure
Councillor Sharp	Strategic Partnership Working
Councillor Skipp	Environment, Street Scene & Halls
Councillor Smith	Regeneration & Business Liaison

Cabinet Enquiries: John Riley Ext 2417/Ann Horgan ext. 2413
Reference: 1/2016/2017
Publication Date: Tuesday 7th June 2016

**AGENDA
PART I
(Business to be taken in public)**

- 1. Apologies**
- 2. Members' Interests**
- 3. Minutes**
To approve the Minutes of the meeting held on 20th April 2016.
- 4. Forward Plan**
To review the Forward Plan
- 5. Public Health and Wellbeing**
- 6. Environment**
- 6(a) Garden Waste Collection Service**
(Report of the Cabinet Member for Waste, Floods and Water Management)
- 7. Transforming Our Community**
- 7 (a) Strategic Asset Management: Runnymede Pool, Hall and Swans Green Hall**
(Report of the Leader of the Council)
- 8. Efficient and Effective Customer Focused Services**
- 8 (a) Financial Update Report**
(Report of the Cabinet Member for Finance and Resources)
- 8(b) Corporate Score Card Quarter 4 2015/16 and Proposed Indicators 2016/17**
(Report of the Cabinet Member for Finance and Resources)
- 9. Matters to be referred from /to Policy & Scrutiny Committees**
- 10. Matters to be referred from /to the Standing Committees**

**PART II
(Business to be taken in private)
(Item to be considered with the press and public excluded from the meeting)**

There were no items known at time of preparation of the agenda.



CABINET

20TH APRIL 2016

PRESENT:

Councillor Riley, Chairman	Leader of the Council
Councillor Stanley	Finance and Resources
Councillor Dick	Health and Wellbeing
Councillor Mrs. Egan	Homes and Customer Engagement
Councillor Skipp	Environment & Leisure
Councillor Howard	Waste, Floods and Water Management
Councillor Isaacs	Neighbourhood and Safer Communities
Councillor Smith	Regeneration and Business Liaison

APOLOGIES:

Councillor Sharp.

ALSO PRESENT:

Councillors: Acott, Blackwell, Greig, Walter, N. Watson and Wood.

103. MEMBERS' INTERESTS:

Councillor Riley declared a non pecuniary interest pursuant to the Code of Local Conduct for Councillors under Agenda Item 5 (a) as his son was serving officer in the Essex and Rescue Service.

Councillor Blackwell present at the meeting declared a non pecuniary interest pursuant to the Code of Local Conduct for Councillors under Agenda Item 5 (a) as a member of the Essex Fire Authority.

104. MINUTES:

The Minutes of the Cabinet meeting held on 16.3.2016 were approved and signed by the Chairman as a correct record.

105. FORWARD PLAN:

To comply with regulations under the Localism Act 2011, the Leader of the Council presented a revised Forward Plan to the meeting which outlined key decisions likely to be taken within the next quarter 2016. The Plan was reviewed each month.

Cabinet received an update from Cllr Howard on service improvements planned for the C2C rail service which would be of benefit to residents. He

informed the meeting of additional funding to be made available for maintenance of flood defences. Cllr Howard gave an update on action being taken following the recent Budget announcement concerning a third access road for Canvey Island.

Resolved – To note and approve the Forward Plan.

106. LEADING THE WAY TO A SAFER ESSEX – CONSULTATION DOCUMENT FOR ESSEX FIRE AUTHORITY OPTIONS FOR CHANGE 2016 - 2020

Cabinet was requested to consider responding to the consultation being undertaken by Essex Fire Authority on proposals to change the delivery of the Fire and Rescue Service.

Resolved: To encourage residents to respond individually to the consultation.

108. THE CARBON MONOXIDE ALARM (ENGLAND) REGULATIONS 2015

Cabinet considered a report on the Regulations.

Resolved:

1. To note the requirements of the Smoke and Carbon Monoxide Alarm (England) Regulations 2015;
2. To authorise the Head of Environment to utilise the powers contained in the Regulations including authority to authorise suitably qualified staff, as appropriate, to undertake duties and responsibilities including Power of Entry under “The Smoke and Carbon Monoxide Alarm (England) Regulations 2015”.
3. To approve the “Statement of Principles for Determining Financial Penalties” and proposed Penalty Charges with immediate effect.

109. LEISURE AND RECREATION STRATEGY UPDATE

The Cabinet received a report updating the Cabinet of progress against objectives and actions as laid out in the Leisure and Recreation Strategy.

Resolved:

To the content of the report and the progress made against the Leisure and Recreation Strategy Action Plan.

110. PRIVATE SECTOR ENFORCEMENT POLICY

The Cabinet received a report seeking approval for a new Private Sector housing enforcement Policy for the Council.

Resolved:

To note the Private Sector Housing Enforcement Policy.

111. MATTERS TO BE REFERRED FROM/TO POLICY SCRUTINY COMMITTEES:

There were no matters.

112. MATTERS TO BE REFERRED FROM /TO THE STATUTORY COMMITTEES:

There were no matters.

Chairman



Castle Point Borough Council

Forward Plan

JUNE 2016

CASTLE POINT BOROUGH COUNCIL

FORWARD PLAN

JUNE 2016

This document gives details of the key decisions that are likely to be taken. A key decision is defined as a decision which is likely:-

- (a) Subject of course to compliance with the financial regulations, to result in the local authority incurring expenditure which is, or the savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates subject to a threshold of £100,000; or
- (b) To be significant in terms of its effects on communities living or working in an area comprising two or more Wards in the area of the local authority.

The Forward Plan is a working document which is updated continually.

Date	<u>Item</u>	Council Priority	Decision by Council/ Cabinet	Lead Member(s)	Lead Officer(s)
May/July/Sept 2016	<u>Financial Update</u>	Efficient and Effective Customer Focussed Services	Cabinet	Resources & Performance	Head of Resources
June 2016	<u>Asset Review Update</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Leader of the Council / Resources & Performance	Chief Executive
July 2016	<u>Devolution Update</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Leader of the Council	Chief Executive
July 2016	<u>Hadleigh Regeneration Update</u>	Transforming Our Community	Cabinet	Regeneration & Business Liaison	

July/October 2016	<u>Treasury Management Report – Updates</u>	Efficient and Effective Customer Focussed Services	Cabinet	Resources & Performance	Head of Resources
July/August 2016	<u>'New' Concord Beach – Report on Padding Pool Tenders</u>	Environment	Cabinet	Environment	Head of Environment
September/October 2016	<u>HRA Business Plan – Revision</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Homes & Customer Engagement/ Resources & Performance	Head of Housing & Communities Head of Resources
February 2017	<u>Housing Revenue Account Rent Levels 2017/2018 Housing Capital Programme etc</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Homes & Customer Engagement/ Resources & Performance	Head of Housing & Communities Head of Resources
September 2016/ February 2017	<u>Budget and Policy Framework</u> To make recommendations to Council on the Council tax and budget setting.	All	Cabinet/ Council	Resources & Performance	Head of Resources

CABINET

15th June 2016

Subject: Garden Waste Collection Service

Cabinet Member: Councillor Howard - Waste, Floods and Water Management

1. Purpose of Report

To seek approval to explore further the introduction of a chargeable wheeled bin garden waste collection service.

2. Links to Council Priorities and Objectives

Environment

3. Recommendations

(1) That Cabinet refers the proposal to introduce a chargeable wheeled bin garden waste collection service to the Environment Policy and Scrutiny Committee for further consideration; and

(2) That the Environment Policy and Scrutiny Committee consider the implications of introducing a chargeable wheeled bin collection service and report back their recommendations to a future meeting of Cabinet.

4. Background

Currently garden waste is collected in corn starch sacks. One roll of 20 sacks is delivered free of charge each year to every household. Additional rolls of sacks can be purchased at a cost of £3.50 from various outlets across the borough.

Corn starch sacks are used because they are compostable and unlike biodegradable sacks, decompose in a relatively short period of time.

However, the corn starch sacks are not the ideal container for garden waste and adverse comments are frequently received about their suitability.

Whilst food waste and garden waste are presented separately for collection, they are comingled on collection and taken to an in-vessel composting facility at Pitsea. Essex County Council, as the disposal authority, incurs a higher treatment cost by this comingling of food and garden waste. This is because garden waste can be treated in open windrows which are a significantly cheaper treatment option than the in-vessel composting or anaerobic digestion treatment that food waste must be subject to. Irrespective of whether or not the Council decides to introduce a chargeable garden waste wheeled bin service, it would be beneficial to the Essex Council tax payer if food and garden waste were to be collected separately in future.

It is an ideal time to consider a service change because (1) there would be financial benefits to the Essex Waste Partnership and to the Essex Council tax payer if food and garden waste were collected and treated separately (2) several of the Council's refuse fleet require replacing and (3) the reduction in central government funding and the budget gap in future years necessitates the need to review service provision and reduce service costs.

Many authorities have successfully introduced a chargeable garden waste service with residents being offered the opportunity to lease a wheeled bin and pay an annual fee for collection. In the January 2016 waste management update report to Cabinet, Members were advised that officers intended to give consideration to the possible phasing out of corn starch sacks and the introduction of a chargeable wheeled garden waste collection service and would report back to Cabinet in due course.

Since that time, officers have been looking into a number of vehicle collection options, and have arranged some separate collections of food and garden waste in order to get a better understanding of the volumes of food and garden waste collected and the future vehicle requirements if these materials were to be collected separately.

We are at a stage now where we need a decision on the phasing out of corn starch sacks and the introduction of a chargeable garden waste collection service because this will impact on the Council's future fleet requirements, i.e. number and type of vehicles required and whether bin lifts are required, or not.

Lead in time for the delivery of new vehicles is in the region of 6 to 9 months. It is proposed that if Members were agreeable, a wheeled bin chargeable service would be offered to residents from spring 2017. Garden and food waste would also be collected and treated separately from this time.

Members will need to consider whether they wish to continue to deliver a free roll of corn starch sacks to each household and make available for purchase further rolls of sacks if they decide to introduce a chargeable wheeled bin garden waste collection service. Operationally, it would be preferable to cease the use of corn starch sacks in the longer term if a chargeable wheeled bin collection service is introduced as vehicles with bin lifts make it more difficult

to place sacks in the back hopper because of the increased entry height into the back of the collection vehicle.

If the Council were to introduce a wheeled bin service, there would need to be a no side waste policy in place and a requirement that all garden waste presented for collection would need to be placed in the leased bin provided by the Council or in a corn starch sack, if these are to be retained.

Residents with large gardens could lease more than one bin if they so desired.

Persons not wishing to subscribe to the wheeled bin collection service would have the choice of home composting, taking their garden waste to the Recycling Centre for Household Waste or presenting their garden waste for collection in corn starch sacks if these are to be retained.

5. Corporate Implications

(a) Financial Implications

The Council's total net budget for the collection of organic waste i.e. garden waste and food waste for 2016/17 is £403k; this includes recharges and capital costs, as well as the annual contribution from Essex County Council for the collection of food waste under the terms of the Inter Authority Agreement.

Within this net budget is £177k for the purchase of corn starch sacks and £80k income from the sale of corn starch sacks resulting in a net cost of sacks to the Council of £93k. There would therefore be a saving to the Council of £93k if it were to cease supplying corn starch sacks.

It is difficult to predict the take up for a chargeable wheeled bin collection service and the resultant income but experience from other local authorities suggests that 30-35% of households are likely to subscribe to a fortnightly collection from a 240 litre bin if it cost in the region of £40 per annum.

When setting the charge for the garden waste collection service the objective would ideally be to provide the organic waste collection service on a cost neutral basis. This would be more difficult to achieve if the Council continued to provide a roll of corn starch sacks free of charge to all households.

The table below sets out likely outcomes for a range of participation rates. The tonnage of waste collected is based on data from other local authorities who operate a chargeable garden waste collection service. The service costs will depend on the number of households participating in the scheme.

Participation Rate (%)	20%	30%	40%	50%
Number of households participating	7,600	11,400	15,200	19,000
Tonnage per annum (based on 325 – 350kg per household)	2470 - 2660	3648 - 3990	4864 - 5320	6080 - 6650
Income (based on £40 per household per annum)	£304k	£456k	£608k	£760k

There are expected to be further additional costs arising if the Council were to collect food and garden waste separately but these would be more than offset by the saving ECC would make in disposal/treatment costs. These would include higher capital costs of the dual compartment freighters required, compared to the cost of the model of vehicle currently used.

There would also be start-up costs associated with a change in service provision and the introduction of a wheeled bin chargeable garden waste collection service i.e. purchase of bins, bin deliveries, publicity, etc. and on-going administrative and operational costs that will need to be taken into account.

Discussions are ongoing with ECC about how all additional costs and savings arising from any proposed change in service would be shared.

(b) Legal Implications

The Controlled Waste Regulations permit local authorities to make a charge for the collection of garden waste; the legislation supports the user pays philosophy.

The Inter Authority Agreement which sets out the funding the Council receives for providing a food collection service remains intact. Under the terms of the IAA, any service change requires an ad hoc review and agreement from partner authorities before any changes can be implemented.

There is an EU target for the UK to recycle at least 50% of household waste by 2020. In 2014/15, the Council's recycling rate was 52.33%. The recycling rate for 2015/16 is yet to be confirmed but it is likely to be just under 50%. However, the mechanical biological treatment facility at Courthauld Road has a front end sorting process which recovers further material for recycling from the black sack waste we deliver to the facility. The Council's recycling rate

could drop if residents chose to home compost or deliver their garden waste to the Recycling Centre for Household Waste rather than presenting it at kerbside for collection but the overall impact on the recycling rate of the Essex Waste Partnership is likely to be insignificant.

(c) Human Resources and Equality Implications

None associated with this report.

Report Author: Trudie Bragg, Head of Environment

Background Papers:

Report to Cabinet January 2016

CABINET

15th June 2016

**Subject: Strategic Asset Management
Runnymede Pool, Hall and Swans Green Hall**

Cabinet Member: Councillor Riley – Leader of the Council

- 1. Purpose of Report**
To provide an update on the strategic review of the Council's Leisure Assets situated at Runnymede Pool, Hall and Swans Green Hall.

To set out costed options available to the Council to improve and/or remove the existing facilities.
 - 2. Links to Council's Priorities and Objectives**
The report links to the Council's Health and Wellbeing and Efficient and Effective Customer Focussed Services priorities.
 - 3. Recommendations**
 - (1) That in the context of the financial challenges facing the Council, Cabinet considers the options available to reduce the cost and increase the leisure facilities available to the public, and agree a way forward.**
 - (2) That subject to Cabinet agreeing to proceed with the Runnymede Pool extension project, Cabinet also agree that the project is dependent upon the freehold sale of the Swans Green Hall for funding. (Please note, to avoid any unnecessary delays, the sale and extension can however run alongside each other).**
 - (3) That subject to Cabinet agreeing to the freehold sale of the Swans Green Hall site, the details including terms and conditions of the sale are delegated to the Chief Executive in consultation with the Leader and Deputy Leader of the Council.**
 - (4) That subject to Cabinet agreeing to proceed with the Runnymede Pool extension, the details of the project including procurement of a contractor are delegated to the Strategic Director (Transformation & Resources) in consultation with the Leader and Deputy Leader of the Council where appropriate.**
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4. Background

The public sector and local government in particular is facing a challenging time on many fronts including reduced central government funding and ever increasing customer expectations.

To put this into some context, over the previous parliament Castle Point received £3m or 53% less in grant from central government. This trend is set to continue with the Chancellor announcing further cuts over the next four years. As well as losing all of its Revenue Support Grant by 2018/19 and potentially also New Homes Bonus, Castle Point will have to hand over an increasing portion of its retained business rates to central government.

The Council's financial forecast currently indicates that its budgets are balanced for 2016/17 and 2017/18. However, significant budget gaps of £1.1m & £1.8m are currently forecast for 2018/19 & 2019/20 respectively.

To counter this, the Council has a long established programme of work designed to improve efficiency and reduce costs. Historically, the Council's approach has delivered an enviable track record of continuous improvement and balanced budgets. This has ensured that the Council has been able to deliver a full range of traditional local services to its residents. However, given the level of cuts and subsequent changes that have already taken place further savings are becoming increasingly more difficult to deliver. The Council therefore needs to be prepared for other sources of income, such as fees & charges, to be maximised, the introduction of more innovative and radical changes to the way in which services are delivered and a pro-active review of assets (see below).

Owning assets costs money. If the income generated by the use of those assets does not cover the cost of running them the shortfall falls on all of the general Council Tax payers in the Borough. The Council is therefore currently undertaking a pro-active review of its assets to ensure that they are being used to their full potential and are affordable in terms of ongoing capital and revenue costs to ensure that the best outcomes are achieved for the general Council Tax payer.

5. Initial Review of Leisure Assets

The initial review of leisure assets identified that the Council currently subsidises the net operating costs of Runnymede Swimming Pool, Runnymede Hall and Swans Green Hall by about £550k to £600k each year. This takes into account all of the income generated from users and hirers of the facilities and all revenue costs including repair & maintenance and overheads. It does not include pure book keeping entries that do not impact on the bottom line of the Council's finances.

This review also identified that the halls are not operating at full capacity and all of the users of Swans Green Hall could be accommodated in Runnymede or one of the other Council run halls in the Borough.

It should also be noted that during the previous major refurbishments of Runnymede Pool and Waterside Farm Leisure Centre, the Council

successfully accommodated all swimming pool users (public, schools and clubs) into one swimming pool for over two years.

In view of this, a more detailed review of these assets and Waterside Farm Leisure Centre has been carried out to help to identify what action could be taken to deliver better used and sustainable facilities into the future at a reduced cost.

6. View of the Private Leisure Sector Operators

In order to fully understand the market that the facilities operate within, the Council sought the views of the private leisure sector. Five leading private operators took part in the exercise whereby the operators were asked what their views were of the existing facilities at Runnymede Hall & Pool and Waterside as well as what changes if any they consider would be worth exploring.

Feedback was extremely positive and all were very impressed with the current operation. General views were that they liked what had been done to the facilities and the facilities had a really good feel about them, staff were very welcoming and helpful, gym membership levels at Waterside were excellent and the financials had been turned around at this facility.

The operators also indicated that the large subsidy that the Council was making towards the other facilities, and in particular Runnymede Pool, was common with these types of facilities (ie large stand-alone swimming pools) and not as a result of how they were being operated.

The operators suggested that the Council might want to explore swimming pool provision in the Borough, the feasibility of adding fitness facilities to Runnymede Hall or Pool (subject to latent demand analysis and resolving car parking provision at the site) and the rationalisation/consolidation of community halls. No changes to how facilities were operated were identified.

7. Latent Demand Analysis

In view of the opinions expressed by the private sector operators about Runnymede Pool, the Council has obtained a latent demand analysis for the site. This information was obtained from the company that all of the private sector operators use to inform their business plans.

Latent demand provides the Council with an estimate of the potential take up of fitness facilities at a designated site taking into account the local demographics, current member travel patterns and competition in and around the area.

The analysis has identified that Waterside Farm Leisure Centre has a latent demand of only 328 additional customers as its current membership already stands at approximately 2,500. However, if a new fitness facility were to be added to the Runnymede Pool site the latent demand for this site could be up to 1,519 new members. This therefore supports the view of the private sector operators that it would be worth exploring if the addition of a fitness suite could be viable at this site.

8. Runnymede Fitness Suite Feasibility Study

As a result of the views of the private sector operators and latent demand analysis for the Runnymede site, Keegans were commissioned via the Essex Framework Contract to establish the viability of adding a fitness suite to the site.

Keegans were asked to explore the feasibility of the following options:

- Provision of a fitness suite in the roof space in Runnymede Hall
- Provision of a fitness suite on the ground floor of Runnymede Hall with a small hall on the ground floor and a larger hall in the roof space
- Provision of a fitness suite and smaller hall on the ground floor of Runnymede Hall with no extension into the roof space
- Provision of a fitness suite attached to the south west corner (adjacent to the training pool) of Runnymede Pool
- Provision of a fitness suite attached to the east side (between Runnymede Hall & Pool) of Runnymede Pool
- Provision of a fitness suite on a mezzanine floor inside Runnymede Pool
- Provision of additional car parking in the area to support increased use of facilities

Keegans have conducted the feasibility study on the basis of visual assessments of the various facilities based on detailed knowledge of the buildings and site following previous condition survey inspections and reports. They have referred to Sport England's and other Design Guidance documents to inform their recommendations.

Keegans have identified that the only potentially viable option is to extend Runnymede Pool to the east side.

8.1 Runnymede Pool – Existing Facility Overview

Runnymede Pool was constructed in 1972 and consists of a single storey structural steel frame with external brick infill panels. The split level roof includes standard flat roofed areas at low level, a shallow pitched area to the main entrance and a sloping, shallow pitch roof to the swimming pool areas.

Internally the building includes main pool and training pool areas, unisex changing facilities with cubicles, entrance foyer, reception, offices, WCs, Runnymede Pool Swimming Club clubhouse and plant rooms. A small meeting room was later added to the North West corner (believed to be 1970s) and the plant, reception and changing village areas were extensively modified in 2010.

8.2 Creation of New Fitness Suite Attached to the East Side

The construction of a fitness suite to the east of the swimming pool between the pool and Runnymede Hall would utilise about half of the available green space, leaving a sufficient green area for activities that compliment Runnymede Hall such as wedding photo's etc.

The advantage of this site is that the ground level is generally flat and the adjacent swimming pool building also has flat roofs in this area.

Two variations on this theme have been considered which are:

- Fully self-contained fitness suite
- Fitness suite utilising existing showering facilities

Option 1 - Fully Self-Contained Fitness Suite

This option incorporates separate dry-side changing/shower facilities, reception and offices for the complex. Although the footprint of this option is larger than option 2, large areas are lost to additional showering facilities and a corridor resulting in the gym and dance studio being smaller than option 2.

Option 2 - Fitness Suite Utilising Existing Showering Facilities

This option would require the users of the fitness suite to utilise the existing wet changing facilities for showering as well as the main reception area. The existing dry toilet facilities could however be remodelled to provide an excellent dry changing space. This would deliver a larger gym, dance studio and café/rest area which would be of general benefit to all users and could deliver additional income to the Council. Additionally, the ongoing staffing and maintenance costs would be kept to a minimum. It should be noted that from the Council's experience of running Waterside Farm Leisure Centre, the majority of dry side only users do not take advantage of the dry side showering facilities.

Keegans have highlighted that although option 2 would not fully meet Sport England's current design guidance documents for new Fitness Suites it is definitely worth considering as the design guidance is aspirational and the build costs of the project can be reduced in several areas. It should also be noted that the reduced facility would be significantly cheaper to operate due to lower operational costs such as repair and maintenance and staffing.

8.3 Cost Summary of Runnymede Pool Build Options

The estimated order of cost for the two options available for Runnymede Pool is therefore as follows:

- Option 1 - £765k
- Option 2 - £647k

8.4 New Equipment Costs

In addition to the build cost stated above, the new fitness suite would have to be fitted out with new equipment. Based on the refurbishment of the fitness equipment at Waterside Farm Leisure Centre this would be in the region of **£203k**.

8.5 Car Park Options - North of Runnymede Swimming Pool

Provision of additional car parking is necessary both for the existing and proposed facilities due to limitations with existing parking provision in the area.

The only practical area for expanded car parking is the grass space to the north of the swimming pool. This will deliver around 69 spaces and would be accessed via Runnymede Chase. Full infill of the space between the swimming pool and the footpath across the grass site is impractical due to the bank at the rear of the swimming pool.

Two options for the car park have been provided:

Option 1 – tarmac

Option 2 - permeable concrete or modular plastic block paving

A footpath from the car park to the existing car parking areas and suitable street lighting would also need to be provided.

Due to the proximity of this car park to the college, the new car park could be barrier controlled for staff parking freeing up space in the existing car parking areas for visitors and customers.

Option 2 will be less expensive and have the advantage of maintaining a green area to the north of the swimming pool.

The estimated order of cost for the car park options are as follows:

- **Option 1 - £167k**
- **Option 2 - £122k**

8.6 Net Ongoing Revenue Income Stream

The net additional income, based on the latent demand analysis (see above), that could be generated from the additional facilities would be in the region of **£440k per annum (this is based on reaching 1060 members)**.

8.7 Total Estimated Cost Projections of Fitness Suite Project

	Option 1 £'k	Option 2 £'k
New fitness suite	765	647
Car park inc footpath, lighting & drainage	167	122
New equipment	203	203
*Total Estimated Capital Expenditure	1,135	972
Annual net increase in income	(400)	(440)

***Funding to be identified**

9. Swans Green Hall – Existing Facility Overview

Swans Green Hall is a single storey, flat roofed timber clad community centre with small office and kitchen set back from the road by a grass strip and low level fencing located on Hart Road in Benfleet. The surrounding area is largely residential. The site is “L” shaped, with vehicular access to the site from The Rundells, with pedestrian access and the main frontage of the building fronting onto Hart Road. The car park is laid with concrete, and has 16 car parking spaces drawn out, plus 2 additional disabled spaces. There would be capacity for more cars than this as there are some spaces suitable for further parking. The site area is 1,600 square metres.

9.1 Cost of Operating the Facility

The existing building is in a poor state of repair. The Council will be required to spend in the region of £370k (Runnymede Hall comparison is £390K) over the next 20 years to keep the facility in a reasonable state of repair.

The Council subsidy that has been required to keep the facility operational has been approximately £10k per annum (Runnymede Hall comparison is £19k).

In addition to this, the hall has suffered from anti-social behaviour incidents over the years. This has meant that large sums of money have also had to be spent to keep it operational. It should also be borne in mind that as the surrounding area is largely residential and in close proximity to the hall; these incidents have a negative effect on the local residents.

9.2 Facility Occupancy

During this last financial year 2015/16, Swans Green hall was hired out for just 20% of the hours available for hire (7am to 10pm 7 days per week). This is split between a main hirer 17% and all other hirers 3%.

As mentioned in section 5, the Council could accommodate all existing users of the facility into the other halls that the Council currently operates. This would have the added benefit of increased use resulting in a reduction to the Council’s subsidy for these other facilities. It should also be noted that the hall hire charges for Woodside hall are the same as those currently charged for Swans Green hall.

Any transfer of users to an alternative location will have its challenges. It is therefore important that if the Council decides to sell the site and re-locate users of this facility, a measured and consistent approach is adopted. In order to facilitate this, it is important that the Council gives existing hirers as much notice as possible of the closure. The Council could also look to put in place a transitional arrangement for the main user of the Hall which could include for example ensuring that their hall hire rates are kept at current levels for the first year of transfer. The Council will however need to balance the cost of any interim arrangements with the need to ensure that the remaining facilities become sustainable in the future.

9.3 Swans Green Hall Valuation

In view of the information set out above, the Council has sought a valuation of the Swans Green Hall site from the District Valuer.

The District Valuer has provided the Council with two freehold market valuations for the site based on a different mix of private housing. These are shown in the Private Business section of this agenda.

Please note these valuations assume that planning permission is granted to a developer on application. They do not assume that the Council has obtained planning permission for the site in advance of the sale; however, if the Council would like to have some influence over the type and nature of the accommodation that is built on the site then this could be achieved by marketing the site via with conditions via an Agent.

10 Potential Project Outcomes/Funding

10.1 Swans Green Hall

- | | |
|--|------------------|
| • Ongoing Revenue Savings (includes average repair & maintenance costs) | £32k |
| • Significant Capital Receipt available to fund capital expenditure (See Private Business Section) | Private Business |
| • Users can be accommodated in other Council facilities making those facilities more cost effective. (income derived from facility at present) | £17k |

10.2 Runnymede Hall

- Facility left intact
- The Council could consider looking into the viability of making a relatively small investment to create a flexible space in the main hall
- Spare capacity utilised resulting in the facility breaking even or even delivering a small surplus in the future
(If £17k from Swans Green were to be transferred to Runnymede this would be at almost break-even point)

It is also worth noting that from April 2016 the Council is benefitting from additional income from community weddings at Runnymede Hall following the decision by Essex County Council to close its registry office at Kiln Road. Income ranges from between £74 and £149 per service depending on the time and day of the service.

10.3 Runnymede Pool

- | | |
|---|-------|
| • Ongoing Revenue Savings of adding a new fitness facility | £440k |
| • New fitness facility to improve health & wellbeing in the Borough | |

11. Corporate Implications

11.1 Financial Implications

The estimated financial implications are set out in the report.

If Members wish to proceed with the Runnymede fitness suite project, Swans Green Hall will need to be sold to fund the majority of the initial capital outlay that is required.

If the project were to be delivered relatively quickly, any remaining shortfall could be funded from any increased revenue streams delivered during 2017/18 as a result of the project going “live” or reserves.

11.2 Legal Implications

Pursuant to the Council’s Contract Procedure Rules, the Council will have to undertake a procurement process to select a contractor to undertake the works to Runnymede Swimming Pool. Members are asked to delegate undertaking the procurement process and negotiating the terms and conditions of Contract to the Strategic Director (Transformation & Resources).

The Council owns the freehold of the site and property at Swans Green having purchased it in 1968. There are no onerous covenants or conditions which would affect Swans Green and allow disposal on the open market to achieve the best price possible. Members are asked to delegate disposal of Swans Green to the Chief Executive to negotiate the terms and conditions of sale.

11.3 Human Resources and Equality Implications

There are no human resources or equality implications at this time. These will be monitored throughout the project.

11.4 IT and Asset Management Implications

These are set out in the report.

12. Timescale for implementation and Risk Factors

The Council currently has a budget gap of £1.1m forecast for 2018/19. The Council therefore has 22 months to deliver the changes that will close that gap.

A project of this size and nature will take time to procure and deliver. A large scale publicity campaign will also need to be run in the lead up to the opening of the facility but it needs to be acknowledged that it will take time to achieve the desired Membership levels. In view of this, if Members wished to proceed with this project it needs to be started as soon as possible to enable the capital funds to be realised, the build to take place and new members to be signed up.

The risks associated with this project are as follows:

- The Swans Green Hall site does not achieve the estimated valuation price
- Tender prices exceed estimated build costs

- Unforeseen works increase the build costs
- Memberships are lower than anticipated

13. Background Papers

Latent Demand Analysis

Fitness Suite/Gym Options Report

Leisure Estimates

District Valuers Report for Swans Green Hall (Confidential)

Report Author: Devinia Board, Strategic Director (Transformation & Resources)

CABINET

15th June 2016

Subject: Financial Update

Cabinet Member: Councillor Stanley – Finance & Resources

1. Purpose of Report

This report presents the latest position in relation to the General Fund financial forecast for the period 2016/20.

This report is intended to:

- Provide Cabinet with the latest information on the future predicted cost of the Council's current spending plans and report on current performance in respect of the current budget.**
- Update Cabinet on developments of a financial nature, which may impact on the Council's financial plans.**

2. Links to Council's Priorities and Objectives

This report is linked to the Council's priority of Efficient and Effective Customer Focused Services. Sound and strategic financial management is essential in order to ensure that resources are available to support the Council's priorities and maintain or improve services.

3. Recommendations

- 1. That Cabinet note the report.**
- 2. That Cabinet approve a draw from General Reserves of £48k (ongoing) in respect of the co-mingled waste contract as per paragraph 7.1.**

4. Background & basis of the financial forecast

4.1 The Financial Planning Strategy is incorporated within the Policy Framework and Budget Setting report which is approved by Council in February each year. The strategy requires the submission of a financial forecast, enabling the Cabinet to monitor latest estimates of future spending and resources and take appropriate action to ensure that the Council's financial targets are met.

4.2 The current financial forecast covers four financial years. A review of the business rates funding mechanism is in progress with a view to enabling local government to retain 100% business rates. It is intended to introduce the new mechanism towards the end of the current Parliament. It is not currently

possible to determine the impact on the Council's finances beyond the period shown in the current forecast.

5. Changes to approved budgets

5.1 The following budget changes have occurred since the budget report was presented to Council in February 2016.

	£	Description
1.	14k	Thorney Bay and Oak Road car park works (2015/16) Allocation from specific earmarked reserve.
2.	154k	New Local Plan (2015/16) – Council approved an allocation from general reserves on 23 rd March 2016 to meet the further costs of plan preparation. This funding has been transferred into an earmarked reserve and will be used to fund costs as they are incurred. £33k has been applied from the earmarked reserve to cover printing and postage costs associated with consultation with residents, during 2016/17.
3.	32k	Planning appeal legal costs (2015/16) - allocation from general reserves in relation to legal fees associated with the Glebelands and Jotmans planning appeals.
4.	70k	Confirmation received from the County Council in respect of funding of the Highway Ranger Service for a further year. (Grant will fund the cost of the service – nil impact on General Fund)
5.	329k	The Council has received more grant funding for DFGs in 2016/17 than it originally anticipated. The additional grant will be held in a capital reserve and applied into the budget as required to fund actual spend.
6.	19k	The Council has received more grant funding for the Local Council Tax Support Scheme - admin in 2016/17 than it originally anticipated.

5.2 The financial forecast at Appendix 1 includes changes resulting from the 2015/16 statement of accounts, including rolling forward of approved budgets into 2016/17. See also section 8.

6. Revenue/Capital Budgets “on-watch”

6.1 The following table highlights revenue or capital budgets, HRA or General Fund, which are identified by the Head of Resources as “on-watch”. This term refers to expenditure and income budgets where there is reason to believe that performance may not meet expectations and where the impact on the Council's overall financial plan is likely to be material.

- 6.2 For the purpose of this report, items will be included if they have a full year financial impact of **£50k** and / or are felt to be of particular interest to Cabinet.

	Description	Background and action being taken
1.	Co-mingled waste contract	Charge to be made to the Council for contamination levels above (contract specified) 2% at £110 per tonne. Full year impact based on current contamination levels of 8% would equate to £48k per annum. See 7.1 below

7. Key Financial Developments

Updates to key issues are provided within the following paragraphs. Please also see earlier financial update reports.

Co-mingled Waste Contract

- 7.1 It has previously been reported to Cabinet that the Council has experienced some difficulties in respect of its co-mingled waste and has been working closely with the contractor to resolve. These difficulties are around higher waste contamination levels than assumed in the contract. The Council has taken a number of actions to improve the position and raise awareness with residents, but unfortunately there are financial consequences.
- 7.2 The Council has now concluded discussions with the contractor and both parties have agreed that it is reasonable for the Council to be charged an additional cost of **£110** per tonne for the disposal of contaminated waste over and above the 2% contamination level specified in the existing contract. So if contamination is 8% the council will be charged for the excess 6%. Based on current contamination levels this would result in an additional charge of **£48k** per annum (ongoing). Cabinet are asked to approve a virement from general reserves to this effect. The forecast at appendix 1 includes this financial impact.
- 7.3 Since award of this contract there has been a significant reduction in the value of mixed recyclate and a move by the industry to significantly more stringent contamination levels. If the Council were to go out to tender at the current time it could expect to pay in the region of an additional **£350k**.

Changes to the Annual Statement of Accounts (SoA)

- 7.4 Significant format changes are effective from 2016/17 to certain financial statements, including presentation of service expenditure using the authority's own headings (e.g. Environment) rather than existing generic CIPFA headings (e.g. Cultural). There is also potential for discontinuation of recharge of costs between service areas. Statutory returns to Central Government such as Whole of Government Accounts and others will still adopt generic headings and include recharges.
- 7.5 The overall timetable for completion of the accounts has also been brought forward. Currently the relevant statutory deadlines are:
- 30 June - approval by S151 officer of un-audited draft SoA.

- 30 September - approval of audited final SoA by full Council and publication.

7.6 From the 2017/18 accounts these deadlines are accelerated to 31 May and 31 July respectively, reducing the time available to complete the closure process and to undertake the external audit.

The Council has already begun phasing in the reduced timetable and achieved completion of the 2015/16 process by 24 May 2016.

Reform of Local Government Finance

7.7 The Chancellor of the Exchequer announced a series of major reforms to local government finance on 5 October 2015. These included:

- by the end of the Parliament, local government will be able to retain 100% of local taxes including all **£26** billion of revenue from business rates;
- abolition of the Uniform Business Rate and granting of powers to local authorities to reduce business rates in order to boost economic activity in their areas;
- local areas which successfully promote growth and attract businesses will keep all of the benefit from increased business rate revenues;
- the core grant (Revenue Support Grant (RSG)) from Whitehall will be phased out, and local government will take on new responsibilities.

7.8 A technical steering group and a number of sub-groups have been established to provide information and expert advice to support the Local Government Association and DCLG in advising Ministers on the setting up and implementation of the new business rates system.

Multiyear Financial Settlements and Efficiency Plans

7.9 The Government has confirmed that the deadline for authorities to request a four year financial settlement is October 2016. Authorities are required to apply in writing and provide a link to a published efficiency plan.

- It is expected to be the only time over the course of the current Parliament that a multi-year settlement will be offered.
- The offer covers the figures provided in the final settlement for Revenue Support Grant (RSG), transitional grant and Rural Services Delivery Grant.
- In addition, protection will be provided that ensures tariffs and top ups for 2017/18 to 2019/20 will not be altered for reasons related to any changes in the relative needs of local authorities.
- There will not be protection from extra responsibilities and functions that might need to be accepted by local government as part of the move to 100% business rates retention, future transfer of functions between local authorities, the impact of mergers or any other unforeseen events.

7.10 The Head of Resources is currently considering the implications of the offer and will liaise with the Cabinet Member for Finance & Resources as required.

Business Rates Pooling

7.11 The pooling arrangement for 2015/16 delivered a financial gain to the authority of **£52k**.

- 7.12 A pooling arrangement for 2016/17 has been established with some changes to membership.
- 7.13 The announcement regarding reforms to local government finance has resulted in uncertainty regarding pooling arrangements in the future.

Tax Compliance Review – Phase 1 & 2

- 7.14 A mechanism for measuring the financial impact of the tax compliance review, and Council Tax revenue collection has been established with our major preceptors, who as previously reported, have made an agreement with collection authorities to “pay back” a proportion of additional funds collected as a result of investment (see earlier reports).
- 7.15 Performance data for the final quarter of 2015/16 reported the overall financial benefit to the Council Tax Collection Fund of **£3.4m** against a target determined at the start of the financial year of **£2.3m**. The fund is administered by the Council on behalf of itself and the three main precepting bodies. The element of the benefit falling to this Council was therefore **£942k**.
- 7.16 In addition the Council benefits from a “share back arrangement” with the precepting organisations in which they will collectively repay to this Council **£411k** for 2015/16.
- 7.17 These items are both included in the 2015/16 statement of accounts which, once audited, will be presented to Council in September 2016 – see section 8.

Tax Compliance Review – Phase 3

- 7.18 Local authorities have a duty to protect the public purse and to work in partnership to reduce fraud. Local authorities in Essex are working together to procure software which will enable public sector partners to share essential records needed to optimise income derived from local taxes, fees and charges. Procurement of this system is referred to as “Phase 3” of the tax compliance review and has previously been reported to Members via the financial update report.
- 7.19 The main purpose is to protect the Council Tax base by ensuring that discounts and exemptions are awarded only to people who are entitled to them. Over **£170m** per year is awarded in council tax discounts and exemptions across Essex. The Audit Commission estimated that between 3% and 11% are incorrectly claimed at the outset or become incorrect through people failing to tell councils of changes to their circumstances. Matching data on a monthly basis will identify if other systems across Essex contain contradictory information regarding household, residency and income information which may suggest that a discount or exemption has been incorrectly awarded. Councils will then have an efficient, targeted method to investigate potential fraud or error. There will also be additional efficiency benefits derived from increasing the accuracy of data in the participating databases across Essex.
- 7.20 A joint procurement exercise between all Essex authorities including the County Council, Police and Fire Authorities has now been completed and a system selected.

- 7.21 Whilst the overall costs of phase 3 amount to **£430k** across all authorities (over a five year period), costs have been apportioned and Castle Point's element will be approximately **£2k** per annum.
- 7.22 Based on a combined authority business case, the potential annual benefit from phase 3, in terms of protected tax base and revenue collection could be **£5m** per year across all Essex Authorities. Castle Point's element would equate to **£37k** in 2016/17 and more in future years as work progresses.

Housing Revenue Account (HRA) – Overall Business Plan

- 7.23 The HRA budget set in February 2016 took into account the impact on rents of a 1% reduction. The impact is estimated to be a reduction in rental income of approximately **£2.6m** over the four year period commencing 2016/17 and significantly more across the lifetime of the HRA business plan.
- 7.24 A refresh of the business plan has been produced by officers and detail on the policies mentioned below is awaited in order to determine overall impact.

Housing and Planning Act 2016

- 7.25 The Housing and Planning Act which has now received Royal Assent, contains provisions on new homes (including starter homes), landlords and property agents, abandoned premises, social housing (including extending the Right to Buy to housing association tenants; sale of local authority assets; 'pay-to-stay'; fixed-term tenancies), planning, compulsory purchase, and public land (duty to dispose).
- 7.26 The following paragraphs summarise some of the policies which, once finalised, will have an impact on the Housing Revenue Account and how the Council manages its housing stock.

HRA - Pay to Stay

- 7.27 Due to be introduced from April 2017, social housing tenants with household incomes above **£31k** outside of London and **£40k** inside London will be required to pay higher rents.
- 7.28 The Government has confirmed that a taper rate of 15 pence in the pound of additional income above the threshold will be applied, so that rent increases are applied gradually up to market rent levels. Households in receipt of housing benefit or universal credit will be exempt from the policy.
- 7.29 Local authorities will be required to pay the additional rent income to central government, but will be permitted to retain "a reasonable amount of administrative costs".

HRA - Sale of higher value stock

- 7.30 The Government will make a determination requiring local housing authorities to make a payment based on the market value of any higher value housing owned by the local authority that is expected to become vacant during the year, less any costs.

- 7.31 The determination will set out the method for calculating the payment and the definition of 'higher-value stock' will be set out in regulations and could be different in different areas.
- 7.32 Alongside this requirement, the Bill includes a new duty for local authorities to consider the sale of higher value stock, and to have regard to any guidance on this duty issued by the secretary of state. The Bill does not enforce the sale of the stock, however local authorities will be required to fund annual payments to the DCLG and could use the proceeds of such sales to recoup the value of these payments.
- 7.33 The payment could be reduced if councils reach an agreement with DCLG to use the retained money towards providing new housing.

8. Annual Statement of Accounts (SoA) 2015/16

- 8.1 The closure process for the last financial year is complete and the SoA is currently awaiting audit. A pre-audit summary of the accounts has been provided to all Members as part of the Members Brief. The General Fund, Housing Revenue Account and Housing Capital Programme all closed the financial year in an under spent position. The General Fund Capital Programme reports an overspend but this is primarily due to the reclassification of expenditure from revenue to capital – funded by revenue (no overall impact). There were no significant difficulties or issues arising during the process.
- 8.2 There is a new requirement this year, to publish the Council's pre-audit accounts on the Council's website. The Council has complied with this requirement and the full pre-audited SoA may be located here: <https://www.castlepoint.gov.uk/accounts>
- 8.3 Members are invited to view the SoA online and raise any questions direct to the Head of Resources.

9. Financial Risk Factors

- 9.1 The budget report presented to the Cabinet meeting in February and Council on the same night indicated some risk areas that the Cabinet should be mindful of until the position and risk relating to each has been clarified. These are shown in the table below.

Table 9.1 Adequacy of reserves – other local factors of significance	
Equal pay review	A great deal of work has been undertaken on pay harmonisation and single status. However, the Council has not undertaken a full job evaluation exercise as required by the 2004 National Agreement. This carries a potential risk that the Council will need to use general reserves to defend and/or settle any successful claims made against the Council. Since a job evaluation exercise has not been undertaken, there is no information available that can be used to form a view on the estimated future likely costs that the Council could face.

Pension Fund Revaluation	<p>The next valuation of the Pension Fund is being undertaken by the actuary as at March 2016, effective for contributions from April 2017.</p> <p>The last valuation indicated an improved deficit recovery period of 19.5 years, compared to 25 years predicted in March 2010. The financial implications included within the Council's financial forecast are based on the recommendations of the pension fund and were effective from April 2014.</p>
Potential for withdrawal of external or third party revenue income	<p>The financial forecast currently assumes the continuation of a number of revenue streams from external organisations or third parties. Many of these organisations are striving to reduce their costs and it is possible that one or more of the aforementioned revenue streams may be lost.</p> <p>At the time of writing this report, Essex County Council have given notice of intention to vacate an area of the Kiln Road Offices which they lease from the Castle Point. The Council is currently seeking suitable occupants for this area of office. If unable to do so the part year financial impact from September 2016 to March 2017 will be £13.7k. Full year impact £27k.</p>
Potential for cost fluctuations in relation to service contracts	<p>Fluctuations in markets (e.g. recycling) and changes in legislation (e.g. new living wage) have had a direct impact on the delivery costs of some of the Council's contracts with other organisations, necessitating an increase in the charge made to the Council. These changes are unpredictable.</p>
Adequacy of insurance arrangements for major unforeseen risks	<p>During 2003/04 it was discovered that no action was taken on written advice received from external consultants in April 2002 to close Waterside Farm Sports Centre in order to analyse and deal with a perceived asbestos problem. There was also a further issue relating to the premature opening of the centre before receipt of clearance certificates in respect of remedial work. No sums have been taken into account in assessing the minimum level of reserves for these potential costs.</p>
Impact of changes within the Housing and Planning Act 2016 on HRA services	<p>The impact of the introduction of a mandatory Pay to Stay Policy and an annual charge to the Council in respect of Higher Value Homes as detailed above in section 7 is not possible to accurately assess at this time due to details not currently being available and subject to regulation. Combined with the 4 year rent reduction period this presents a significant risk to the Council's HRA Business Plan</p>

<p>Business Rates Retention – Revaluation</p>	<p>The next business rates revaluation will come into effect on 1 April 2017 and will re-assess all business properties in England and Wales based on rental value as at 1 April 2015.</p> <p>In the year of revaluation the multipliers are rebased to account for overall changes to total rateable value and to ensure that the process is revenue neutral at a national level.</p> <p>Change at a local level is inevitable and there will be a need to recalculate the current system of top-ups and tariffs within the overall scheme.</p>
<p>Impact of Welfare Reforms on demand for Council Services</p>	<p>These include a reduction in the local housing allowance affecting residents on benefit who are in private rented accommodation and which will result in a reduction in the amount of housing benefit they receive. Implementation of universal credit and complete roll out to working age claimants is now planned for 2021.</p> <p>Current information indicates that the number of claimants falling within Universal Credit for Castle Point exceeds original estimates by the DWP.</p> <p>The Council has seen a steady increase in the number of homeless cases presented and with 100% occupation of its own housing stock, and changes in the private renting sector, has experienced difficulty in finding suitable temporary and permanent accommodation to meet the increasing demand.</p> <p>It is not possible to predict the full direct or indirect impact of these and other welfare changes on demand for Council Services, particularly Housing and Benefit advice longer term.</p>
<p>Potential for incurrance of legal costs</p>	<p>The Council anticipates an increase in the number of planning applications received. There is potential for a proportion of these applications not to be approved by the Council resulting in an appeals process. The appeals process will necessitate the Council incurring legal costs and, should the outcome of the appeal not be favourable to the Council, there is potential for the Claimants legal costs to be awarded against the Council.</p> <p>There is also potential for the Council to incur costs in relation to other legal challenges including employment tribunals. This is a risk in all organisations.</p>

10. Corporate Implications

a) Legal implications

This report is presented on behalf of the “section 151 officer” – the officer appointed to have responsibility for the Council’s financial administration. It is their duty to ensure that the Council is regularly informed and updated on these matters.

Matters referred to above which require the establishment of agreements between organisations are routinely referred to the Council’s Head of Law and Deputy Monitoring Officer.

The co-mingled waste contract makes provision for variation of the Contract to accommodate the changes proposed.

b) Human Resources and equality implications

There are no Human Resource or equality implications arising directly from this report.

c) Timescale for implementation and risk factors

Risk factors inherent in the forecast are set out above.

Report Author: Chris Mills, Head of Resources

Background Papers:

- Policy Framework & Budget Setting 2016/17, incorporating the Financial Planning Strategy.
- Budget monitoring statements for the period April & May 2016.
- Bi-monthly Financial Update Reports to Cabinet.
- Report to Cabinet 20th January 2016 – “Spending Review High Level Update”.

Medium term financial forecast

2015/16 2016/17 2017/18 2018/19 2019/20 Notes

Line	Current policies and service plans	£'000s	£'000s	£'000s	£'000s	£'000s	Notes
1	Total net expenditure / estimated exp. for future years		12,883	12,673	10,266	10,810	Fluctuations year to year predominantly caused by phasing of maintenance spend and other expenditure "offset" by earmarked reserves (line 12)
2	Changes to budget since February 2016		356	64	64	N/A	
3	Total expenditure	8,748	13,239	12,737	10,330	10,810	
	Funding sources						
4	Council Tax	6,862	7,094	7,305	7,523	7,747	
5	Formula Grant - Revenue Support Grant / (tariff)	1,716	917	287	0	(515)	
6	Baseline Funding Level - Redistributed Business Rates	2,059	2,046	2,112	2,174	2,244	
7	Business Rates - Levy on retained income	(106)	(159)	0	0	0	Offset by a contribution from the NNDR equalisation reserve (line 10)
8	New Homes Bonus	820	1,172	774	485	351	Subject to consultation
9	Capital grants and other grants and contributions	1,062	738	336	0	0	
10	Net Collection Fund(s) surplus / (deficit)	(119)	(839)	0	0	0	Separate funds for council tax and business rates
11	Transfer (to) / from General reserve	(387)	(230)	0	0	0	
12	Transfer (to) / from Earmarked reserves	(3,159)	2,500	1,853	(974)	(970)	
13	Total funding sources	8,748	13,239	12,667	9,208	8,857	
14	Budget / Funding Gap	0	0	(70)	(1,122)	(1,953)	
	General Reserve	£'000s	£'000s	£'000s	£'000s	£'000s	Minimum recommended balance for General Reserves is £2.7m
15	Balance at start of year	4,887	5,274	3,929	3,659	2,337	
16	Contribution (to) / from General Fund (line 9 & 12)	387	230	(70)	(1,122)	(1,953)	
17	Potential planning appeals & associated legal costs	0	(1,575)	(200)	(200)	0	Based on assessment of potential appeal costs for 2015/16 & 2016/17 and indicative amounts for future years.
18	Balance / (deficit) at end of year	5,274	3,929	3,659	2,337	384	
	Earmarked Reserves	£'000s	£'000s	£'000s	£'000s	£'000s	
19	Balance at start of year	5,289	8,448	5,017	2,085	1,892	The precise timing of the use of earmarked reserves is, due to their nature, generally unknown.
20	Contribution (to) / from General Fund (line 10)	3,159	(2,500)	(1,853)	974	970	
21	Other expected usage of earmarked reserves - not allocated to the detailed budget	0	(931)	(1,079)	(1,167)	(868)	Earmarked reserves are reviewed annually to ensure sufficiency and where need has diminished the reserve will be returned to General Reserves.
22	Balance at end of year	8,448	5,017	2,085	1,892	1,994	
	Council Tax						
23	Tax at band D	234.09	238.68	243.36	248.13	252.99	Target increases of approximately 1.96% in future years (assuming a 2.0% referendum limit remains in place). The tax at band D does not include the amount charged by Canvey Island Town Council.
24	Increase	0.00%	1.96%	1.96%	1.96%	1.96%	

CABINET

15th June 2016

Subject: Corporate Performance Scorecard Quarter 4 2015/16

Cabinet Member: Councillor Stanley - Finance and Resources

1. Purpose of Report

1.1 To set out the cumulative performance figures for the Corporate Performance Scorecard for Quarter 4, 1st January 2016 to 31st March 2016 and to detail the proposed indicators for performance monitoring for this financial year.

2. Links to Council's priorities and objectives

2.1 The scorecard is explicitly linked to the Council's priorities.

3. Recommendations

3.1 That Cabinet notes the report and continues to monitor performance.

3.2 That Cabinet considers and agrees the proposed indicators for performance monitoring for this financial year as set out in Appendix 2.

4. Background

4.1 The Corporate Scorecard reports on performance indicators for important service outcomes that are relevant to the Council's priorities.

4.2 The indicators for the Corporate Performance Scorecard for 2015/16 were discussed and approved by Cabinet in June 2015. This report also includes some annual measures agreed which will not have been reported previously.

5. Report

5.1 Summary of performance

5.1.1 The performance summary in Appendix 1 sets out the performance achieved by the Council against the measures in the scorecard. Of the 16 indicators reported, eleven are at or above target, a further three are near target and two indicators did not meet the target. Trend in performance is more mixed with

decreasing performance for 7 indicators, similar performance for a further 5 and improving performance in 4 measures.

Performance is set out against the priorities in the Corporate Plan as follows:

Public Health and Wellbeing

The percentage of food premises that are awarded a score of at least 3 on the food hygiene rating scheme dipped slightly when compared to last year but still maintains strong performance and exceeded target.

Performance for the annual indicator which measures the percentage of people aged 14 or over participating in sport and active recreation was at 31.4%. This was a reduction when compared to last year's performance of 34.9%. However, this is consistent with the national downward trend since the 2012 Olympics when participation levels peaked. Whilst this indicator is largely outside of the Council's control, the Leisure team continues to focus on marketing and promotion targeting key Sport England market segmentation areas for growth, for example introducing a wider variety of classes and opportunities for access to exercise for different groups within the community.

The Leisure Centres and activities on offer into the wider community continue to be promoted at community events, with direct leaflet drops and through regional press, free papers and a significantly increased use of social media.

Performance for households in temporary accommodation has continued to increase in quarter 4, with cumulative performance dipping marginally below the projected target, with a significant increase in homelessness applications. . The trend indicates sustained and increasing homelessness and is not specific to Castle Point. Some work has been undertaken to help moderate the impact, for example the purchase and refurbishment of 2 Camperdown Road as a house in multiple occupation.

Environment

The combined performance for Household waste recycled or composted is estimated to be 48.6% which is a decrease in last year's performance of 53%, and below the target of 55%. The contamination of recyclable waste has become a more significant issue and efforts have been made to help tackle the problem with the non collection and stickering of obviously contaminated pink sacks, the delivery of a leaflet to all households advised what can and cannot be put in the pink sacks and the promotion of the website recycle for Essex on the Council's web page. This includes a focus on recycling waste food and waste minimisation.

The performance information for street cleanliness, fly tipping and grass verge cutting generally demonstrates strong performance and that the contractual arrangements are continuing to be effective. There has been a slight dip with the percentage of streets inspected which are deemed to be unsatisfactory which has increased from 6.7% to 7.6%, and has been attributed to the clampdown on contaminated sacks by our Recycling Team. This process has increased the amount of litter as contaminated sacks have split and spilled on the verges. Performance will continue to be monitored.

Transforming our Community

Tenant satisfaction with repairs and maintenance at 97.3% continues to be strong and exceeds the target. The rate for voids completion is also strong at 20.05 days. Whilst performance for the previous year was apparently higher this was primarily due to the acquisition of Drapers Court and performance remains strong and exceeds target.

The Appendix also includes reporting of an annual indicator, the percentage overall satisfaction with Landlord Housing Services (General Needs) which was 84.7% and an improvement in last year's performance of 83% and was very close to the tougher target set by the Housing Services at 85%. This helps to demonstrate that the sustained improvement work in recent years is having an impact on the service outcomes.

The percentage of planning applications processed within target times has three measures for this indicator. Performance has exceeded target in two measures (major and other applications) and been near target for minor applications. The service has recently undertaken some structural changes and expects improved performance to continue.

The building control service ensured all applications were processed within statutory timescales.

Efficient and Effective Customer Services

The Council's First Contact team has again been very successful in limiting the number of calls that they have to transfer to the back office to be dealt with; just 5.5% of calls received transferred.

The sickness rate of 6.5 days is a significant improvement when compared to last year's performance of 8 days and exceeds the corporate target of 7 days. There is a pro-active approach to managing sickness absence, for example with phased returns to work to a variety of employees.

5.1.2 Further commentary on performance is set out in the table in Appendix 1.

5.2 Indicators for Corporate Scorecard 2016/17

Appendix 2 details the proposed performance indicators for the Corporate Scorecard. These have been developed in consultation with services to reflect the corporate objectives for 2016/17. They are also grouped around the medium term aims for the Council.

The refreshed scorecard includes quarterly and annual performance indicators. It is proposed that annual indicators are removed from scorecard reports until they can be reported at the end of the financial year.

It is further proposed that the scorecard is flexible and takes into account any performance issues arising during the year. For example, if performance for a service area is significantly off target, but is currently not on the Corporate Scorecard, it may be appropriate to include such measures in future scorecard reports to ensure Cabinet are updated of any significant performance issues and any actions being taken to deal with these issues.

6. Corporate Implications

a. Financial implications

Good performance on some indicators can lead to reduced costs.

b. Legal implications

There are no direct legal implications at this stage.

c. Human resources and equality

There are no direct human resource or equality implications at this stage.




d. Timescale for implementation and risk factors

Monitoring of the Corporate Performance Scorecard is ongoing throughout the year.

7. Background Papers:

None

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Key	
	More than relative 10% below target
	Less than relative 10% below target
	On or above target



Appendix 1



Corporate Scorecard 2015/16 (Public Health & Wellbeing)

Quarter 4: 1st January 2016 to 31st March 2016



Note: All performance values are cumulative (i.e. from 1st April to end of June/September/December/March) unless otherwise stated







PI Code & Short Name	Q4 Value 2014/2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
EH2 Percentage of food premises that are awarded a score of at least 3 on the food hygiene rating scheme. Service Manager: Environmental Health Operational Manager	95%	91%	90%	↓		At the end of quarter four 91% of food premises were found to be in broad compliance with food regulations. (462 of 510 total). Whilst performance has decreased when compared to last year, it still exceeds the target.
L2 Increasing the percentage of people aged 14 or over participating in sport at least once a week. Service Manager: Leisure Services Manager	34.9%	31.4%	34%	↓		This is a reduction when compared to last year's performance. However, this is consistent with the national downward trend since the 2012 Olympics when participation levels peaked.

PI Code & Short Name	Q4 Value 2014/2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
HLess 3 Number of Households in Temporary Accommodation Service Manager: Community Support Manager	69	87	85			The Housing Options service continues to face significant ongoing pressure from the impact of Welfare Reforms. The number of households who approach the service continues to increase and in the last couple of months has been around 100. There is also a significant shortage of temporary housing stock. This increase is not specific to Castle Point and is part of a nationwide trend.

Corporate Scorecard 2015/16 (Environment)

Quarter 4: 1st January 2016 to 31st March 2016

Note: All performance values are cumulative (i.e. from 1st April to end of June/September/December/March) unless otherwise stated

PI Code & Short Name	Q4 Value 2014/2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
OPS4 Percentage of Household Waste Recycled Service Manager: Operational Services Manager	29.2%	24.9%	Annual Target 30%			Performance has decreased when compared to last year due to problems with contamination with our co-mingled collection. Actions have been undertaken which include the non collection of obviously contaminated waste as well as leafleting and stickers.
OPS 5 Percentage of Household Waste Composted (including food waste) Service Manager: Operational Services Manager	23.8%	23.7%	Annual Target 25%			The very slight decrease when compared to last year is not statistically significant but does fall short of target.
SS2 Percentage of streets inspected which are deemed to be unsatisfactory using Code of Practice for Litter and Refuse methodology. Service Manager: Contracts Manager	6.7%	7.6%	Less than 10%			There has been a slight increase when compared to last year. - 139 individual inspections out of 16275, and can be attributed to the clampdown on contaminated sacks by our Recycling Team, this process has increased the amount of litter as contaminated sacks have become split. Whilst the figures show litter levels are being kept under control there has been the need to Default the Contractor for failures in service, and this has resulted in 24 financial penalty notices being served.

PI Code & Short Name	Q4 Value 2014/2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
ENV 4 Flytips removed within one working day Service Manager: Contracts Manager	100%	100%	90%	↔	✓	The fourth quarter has seen an increase in fly tips over 2014/15, with 278 in 2015/16 compared to 213 in 2014/15, in this there has been an increase in the number of household black sacks fly tipped, with 6 for 2014/15 increasing to 51 for 2015/16. This may be related to the clamping down on contaminated waste and we will continue to monitor over the coming months.
SS4 Number of rectification and default notices served in relation to Highway Grass Verge cutting. Service Manager: Contracts Manager	13	13	Under 50	↔	✓	Figure is for the year. Ground conditions prevented whole sale cutting at the beginning of the fourth quarter, and therefore the serving of notices was negated. The contractor was able to get onto certain areas as the quarter progressed.
SS5 Percentage of Rectification Notices served in relation to Highway Grass Verge cutting rectified within 72 hours. Service Manager: Contracts Manager	100%	100%	90%	↔	✓	All default notices served were rectified within 72 hours.

Corporate Scorecard 2015/16 (Transforming our Community)

Quarter 4: 1st January 2016 to 31st March 2016

Note: All performance values are cumulative (i.e. from 1st April to end of June/September/December/March) unless otherwise stated

PI Code & Short Name	Q4 Value 2014 / 2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
HOS1 Overall tenant satisfaction with repairs and maintenance. Service Manager: Tenancy Services Manager	97.2%	97.3%	96%	↔	✔	This is now the 2nd full year of this contract and performance remains consistently high. This is due to the partnership approach to achieving and driving performance adopted by housing and the contractor.
HOS2b Percentage overall satisfaction with Landlord Housing Services (General Needs) Service Manager: Tenancy Services Manager	83%	84.7%	85%	↑	⚠	Performance has improved since last year and is very nearly on target.
HOS6 Average Void Turnaround Time. Service Manager: Tenancy Services Manager	17.25 Days	20.05 Days	23 Days	↓	✔	Performance as at March 15 included new build properties, (first lets), at Drapers Court. If this 'one off element' was excluded performance at March 15 would have been 20.56 days. Comparing performance on a like for like basis indicates performance has improved to 20.05 days, exceeding target by nearly 3 days.

PI Code & Short Name	Q4 Value 2014 / 2015	Q4 Value 2015 / 2016	Target	Trend	Status	Comments
DC2 to DC4: Percentage of planning applications processed within target time limits for major, minor and other applications Service Manager: Planning & Development Enforcement Manager	100%	100%	Major 60%	↔	✔	Performance has exceeded target in two of the three areas and is a little below target for minor applications which is reported as due to seasonal increase in work. A total of 123 planning applications (of all types) were determined between 1/1/2016 and 31/3/2016. Of these 8 applications had agreed extensions of time.
	60.7%	60%	Minor 65%	↔		
	78.3%	90%	Other 80%	↑		
Percentage of Building Control applications processed within statutory time limits.	100%	100%	100%	↔	✔	All applications processed within the required timescales.

Corporate Scorecard 2015/16 (Efficient & Effective Customer Services)



Quarter 4: 1st January 2016 to 31st March 2016

Note: All performance values are cumulative (i.e. from 1st April to end of June/September/December/March) unless otherwise stated

PI Code & Short Name	Q4 2014/15 Value	Q4 value 2015 / 2016	Target	Trend	Status	Comments
<p>FC1 Percentage of calls taken from customers by First Contact that are dealt with without the need to transfer to the back office</p> <p>Service Manager: Community Support Manager</p>	94%	94.5%	Annual Target 92%	↑	✓	The First Contact service continues to maintain strong performance in this area.
<p>Average number of days Sickness absence per FTE staff for all Council Services (rolling year)</p> <p>Service Manager: Human Resources Manager</p>	8 Days	6.5 Days	7 Days	↑	✓	There has been a significant improvement in sickness absence levels compared with last year. This has been helped by managers seeking early advice in long term sick cases and offering phased returns to work to a variety of employees.

Appendix 2

Proposed Corporate Scorecard Indicators 2016/17

Indicator	Target / Reference	Frequency of Monitoring
Public Health & Wellbeing		
Satisfaction with the Leisure Service	Corporate Performance Indicator database Reference L1. Target 90%	Annual
Percentage of food premises that are awarded a score of at least 3 on the food hygiene rating scheme.	Corporate Performance Indicator database Reference EH2. Target: 90%	Quarterly
Number of Households in Temporary Accommodation	Corporate Performance Indicator database Reference Hless 3. Target: 90	Quarterly
Environment		
Percentage of Household Waste Recycled.	Corporate Performance Indicator database Reference OPS4. Target: 29%	Quarterly
Percentage of Household Waste Composted	Corporate Performance Indicator database Reference OPS5. Target: 24%	Quarterly
Percentage of streets inspected which are deemed to be unsatisfactory using Code of Practice for Litter and Refuse methodology	Corporate Performance Indicator database Reference SS2. Target: Less than 10%.	Quarterly
Target 90% of flytips removed within 1 working day	Corporate Performance Indicator database Reference SS3. Target 90%.	Quarterly
Waste minimisation - Total kg waste arising per head of population (based on latest ONS midyear population estimates)	Corporate Performance Indicator. Target: <356 kg/per person	Annual
Number of rectification notices served in relation	Corporate	

to highway grass verge cutting	Performance Indicator database Reference SS4. Annual Target 200.	Quarterly
Number of rectification notices served in relation to highway grass verge cutting rectified within 72 hours.	Corporate Performance Indicator database Reference SS5. Target 90%.	Quarterly
Transforming our Community		
Percentage of planning applications processed within target time limits for major, minor and other applications.	Corporate Performance Indicator database References DC2 to DC4. Targets: Major 60% Minor 65% Other 80%	Quarterly
Percentage of Building Control Applications processed within statutory time limits.	Corporate Performance Indicator database Reference BC1. Target 100%.	Quarterly
Overall Tenant Satisfaction with repairs and maintenance	Corporate Performance Indicator database Reference HOS1. Target 97%.	Quarterly
Average Void Turnaround time	Corporate Performance Indicator database Reference HOS6. Target 21.5 days.	Quarterly
Percentage overall satisfaction with Landlord Housing Services (General Needs)	Corporate Performance Indicator database Reference HOS2b. Target 85%.	Annual
Efficient and Effective Customer Focussed Services		
Savings identified and delivered to achieve a balanced budget in current and future years. (Ongoing).	Monitored and reported corporately by Head of Resources.	Annual

Average number of day's sickness absence per FTE employee for all staff.	Corporate Performance Indicator database Reference Corp1. Target 7 days.	Quarterly
Percentage of enquiries resolved at the first point of contact.	Corporate Performance Indicator database Reference FC1. Target 94%.	Quarterly