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**David Marchant** LLB (Hons) BSc (Hons) CEng FICE FCMI  
**Chief Executive**

## CABINET AGENDA

**Date:** **Tuesday 17th October 2017**  
**NB (please note change of date)**

**Time:** **7.00pm**

**Venue:** **Council Chamber**

**This meeting will be webcast live on the internet.**

### **Membership:**

<b>Councillor Riley</b>	<b>Chairman - Leader of the Council</b>
<b>Councillor Stanley</b>	<b>Finance, Policy and Resources</b>
<b>Councillor Dick</b>	<b>Health &amp; Wellbeing</b>
<b>Councillor Mrs Egan</b>	<b>Housing and Council Homes</b>
<b>Councillor Howard</b>	<b>Street Scene, Waste, Floods and Water Management</b>
<b>Councillor Isaacs</b>	<b>Neighbourhoods &amp; Safer Communities</b>
<b>Councillor MacLean</b>	<b>Customer Engagement and Commercialism</b>
<b>Councillor Skipp</b>	<b>Environment &amp; Leisure</b>
<b>Councillor Smith</b>	<b>Regeneration &amp; Business Liaison</b>

**Cabinet Enquiries:** **John Riley Ext 2417/Ann Horgan ext. 2413**  
**Reference:** **4/2017/2018**  
**Publication Date:** **Monday 9th October 2017**

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

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**1. Apologies**

**2. Members' Interests**

**3. Minutes**

To approve the Minutes of the meeting held on 20th September 2017.

**4. Forward Plan**

To review the Forward Plan.

**5. Public Health and Wellbeing**

**6. Environment**

**6(a) Update on Flood Alleviation Measures proposed and/or taking place in the Borough**

*(Report of the Cabinet Member for Street Scene, Waste, Floods and Water Management)*

**7. Transforming Our Community**

**7(a) Planning Policy Update**

*(Report of the Cabinet Member for Regeneration and Business Liaison)*

**7(b) Update on Regeneration Matters**

*(Report of the Cabinet Member for Regeneration and Business Liaison)*

**8. Efficient and Effective Customer Focused Services**

**8(a) Update: Customer Engagement & Commercialism**

*(Report of the Cabinet Member for Customer Engagement and Commercialism)*

**8(b) Treasury Management Activity Mid-Year Report**

*(Report of the Cabinet Member for Finance, Policy and Resources)*

**8(c) Discretionary Rate Relief – Business Rates Supporting Small Businesses, Relief for Pubs and Local Discretionary Fund**

*(Report of the Cabinet Member for Finance, Policy and Resources)*

**9. Matters to be referred from /to Policy & Scrutiny Committees**

*Following the Council Meeting held on 27.9.2017 Cabinet are requested to endorse the suggestion that the Environment Policy and Scrutiny Committee consider and report to Cabinet with recommendations on the outcome of the officers' investigations into the criteria and feasibility for applying for a Blue Flag Beach Award for Thorney Bay Beach and Concord Beach for 2018.*

**10. Matters to be referred from /to the Standing Committees**

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**PART II**

**(Business to be taken in private)**

**(Item to be considered with the press and public excluded from the meeting)**

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**There were no items known at time of publication of the agenda.**

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**INFORMAL  
CABINET SESSION**

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**All Councillors are welcome to take part in this informal question time session with Cabinet at the end of the meeting. All business to be concluded by 9pm.**



## CABINET

20TH SEPTEMBER 2017

### PRESENT:

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

### ALSO PRESENT:

Councillors: Acott, Bayley, Blackwell, Greig, Hart, Mrs. King, May, Mumford, Palmer, Mrs Sach, N Watson and Wood

### 24. MEMBERS' INTERESTS:

There were none.

### 25. MINUTES:

The Minutes of the Cabinet meeting held on 19.7.2017 were approved and signed by the Chairman as a correct record.

### 26. 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 2017. The Plan was reviewed each month.

Cabinet were advised that there were two additional matters to be reported in October – a Planning Policy update report and a report on Discretionary Rate Relief.

**Resolved** – To note and approve the Forward Plan as amended.

## **27. FINANCIAL UPDATE**

The Cabinet considered a report providing the latest medium term financial forecast in respect of the General Fund and updating Cabinet on developments of a financial nature, which might impact on the Council's financial plans in respect of either the General Fund or Housing Revenue Account (HRA).

Cabinet was asked to approve the transfer of an additional £218k from the General Fund reserve into the Local Development Scheme earmarked reserve to support the programme of work reported to Cabinet in June 2017.

**Resolved:**

1. To note the report.
2. To approve the transfer from General Reserves into earmarked reserves of £218k to supplement the existing provision for the programme of works required in relation to the local development scheme.

## **28. CORPORATE PERFORMANCE SCORECARD QUARTER 1 2017/18**

Members of the Cabinet presented the performance figures for performance statistics falling within their areas of responsibility.

Councillor Howard Cabinet Member for Waste, Floods and Water Management in presenting the performance statistics on Recycling drew attention to the launch that week of MetalMatters a Recycling initiative to encourage participation in metals recycling.

Councillor Smith Cabinet Member for Regeneration & Business Liaison in presenting the performance statistics for the planning service commended the planning service for their excellent performance and asked that the Cabinet thanks and appreciation be noted and passed on to the officers concerned.

The Cabinet having considered and scrutinised the cumulative performance figures for the Corporate Performance Scorecard for Quarter 1, 1st April 2017 to 30th June 2017.

**Resolved:** To note the reported performance.

## **29. BUDGET AND POLICY FRAMEWORK FOR 2018/19**

The Cabinet considered a report setting out the proposed Budget and Policy Framework for 2018/19. It took account of the requirements of the Constitution, the Financial Planning Strategy and statutory requirements for calculating the budget requirement and setting the Council Tax.

**Resolved:**

To approve the proposed Budget and Policy Framework for 2018/19.

**30. AUTHORITY TO REPRESENT THE COUNCIL**

The Cabinet considered a report seeking authorisation to allow a member of the Council's Law Team presently employed by the Council to represent the Borough Council in proceedings before the Magistrates' Court and County Court.

**Resolved:**

That the following member of the Law Team be authorised to appear before the Magistrates' Court and County Courts to represent the Borough Council in legal proceedings pursuant to Section 223 Local Government Act 1972 and Section 60(2) County Courts Act 1984:-

Miss Naomi Halliday – Trainee Solicitor

**31. MATTERS TO BE REFERRED FROM/TO POLICY SCRUTINY COMMITTEES: ENVIRONMENT POLICY & SCRUTINY COMMITTEE 31.8.2017**

Cabinet received a report on the meeting of the Environment Policy & Scrutiny Committee held on 31.8.2017 which had met to consider and review the arrangements for the security, protection and management of public open spaces. This was in the context of the recent incursion of travellers on Canvey sea front in July.

The Cabinet Member for Neighbourhoods and Safer Communities had also asked if the Council's response through the Essex Traveller Unit could be assessed.

The Committee agreed the following recommendations:

- To note the arrangements for the protection of public open space.
- That it is impractical to fully secure public open space from incursion consequently it is important to have an effective and reliable means of securing possession of the land in the event of an incursion.
- To endorse the use of the Essex Traveller Unit.

The Environment and Scrutiny Committee also considered its work programme for future meetings and agreed to undertake a review of the new Green Waste Collection service later in the year.

**Resolved:**

To note the report and accept the recommendations.

1. To note the arrangements for the protection of public open space.
2. That it is impractical to fully secure public open space from incursion consequently it is important to have an effective and reliable means of securing possession of the land in the event of an incursion.
3. To endorse the use of the Essex Traveller Unit.
4. That the Environment and Scrutiny Committee was to undertake a review of new Green Waste Collection Service later in the year.

### **32. MATTERS TO BE REFERRED FROM /TO THE STATUTORY COMMITTEES:**

There were no matters.

### **33. EXCLUSION OF THE PUBLIC**

#### **Resolved:**

To exclude the press and public from the meeting to allow the following item of business to be transacted as it contained exempt information under Paragraph 3 Schedule 12A Local Government Act 1972 as amended.)

### **34. PROVISION OF TEMPORARY ACCOMODATION (Exempt Information under Paragraph 3 Schedule 12a Local Government Act 1972 as amended.)**

Cabinet received and discussed a report seeking authority to pursue development on a site identified in the report to provide temporary accommodation for persons who had presented themselves to the Council and were registered as homeless, subject to all relevant legal, financial and probity issues being considered to the satisfaction of the Chief Executive.

#### **Resolved:**

1. That Cabinet agrees in principle to pursue a project for development on a site identified in the report to provide temporary accomodation for homeless households subject to all relevant legal, financial and probity issues being considered to the satisfaction of the Chief Executive.
2. That Cabinet agree that an application be made to the Secretary of State for release of the land for General Fund purposes.

Chairman



# **Castle Point Borough Council**

## **Forward Plan**

**OCTOBER 2017**



# **CASTLE POINT BOROUGH COUNCIL**

## **FORWARD PLAN**

**OCTOBER 2017**

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.

<b>Date</b>	<b><u>Item</u></b>	<b>Council Priority</b>	<b>Decision by Council/ Cabinet</b>	<b>Lead Member(s)</b>	<b>Lead Officer(s)</b>
December 2017	<u>Financial Update</u>	Efficient and Effective Customer Focussed Services	Cabinet	Finance, Policy & Resources	Head of Resources
October 2017	<u>Planning Policy Update</u>	Transforming Our Community	Cabinet	Regeneration & Business Liaison	Local Plan & Regeneration Advisor
October 2017	<u>Discretionary Rate Relief</u>	Efficient and Effective Customer Focussed Services	Cabinet	Finance, Policy and Resources	Revenues& Benefits Transformation Manager Head of Resources
November 2017	<u>Flooding Update</u>	Environment	Cabinet	Street Scene, Waste, Floods and Water Management	Head of Environment
October 2017	<u>Treasury Management Report – Updates</u>	Efficient and Effective Customer Focussed	Cabinet	Finance, Policy & Resources	October 2017

		Services			
February 2018	<u>Budget and Policy Framework</u> To make recommendations to Council on the Council tax and budget setting.	All	Cabinet/ Council	Finance, Policy & Resources	Head of Resources
November 2017	<u>Halls Review – Update</u>	Transforming Our Community	Cabinet	Environment & Leisure	Head of Environment
November 2017	<u>Local Council Tax Support Scheme 2018/19</u> Consideration of response to consultation on options and arrangements	Efficient and Effective Customer Focussed Services	Cabinet /Council	Finance, Policy and Resources	Revenues& Benefits Transformation Manager Head of Resources
February 2018	<u>Housing Revenue Account Rent Levels 2017/2018 Housing Capital Programme etc</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Housing and Council Homes / Finance, Policy & Resources	Head of Resources Head of Performance & Service Support & Interim Head of Housing

**CABINET**

**17<sup>th</sup> October 2017**

**Subject: Update on Flood Alleviation Measures proposed and/or taking place in the Borough**

**Cabinet Member: Councillor Howard – Street Scene, Waste, Floods and Water Management**

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**1. Purpose of Report**

To update Cabinet in respect of the surface water flood alleviation schemes (SWAS) that Essex Highways are progressing on Canvey Island, the flood alleviation scheme at West Wood being progressed by ECC in its capacity as the Lead Local Flood Authority and the works being undertaken by the Environment Agency at South Benfleet.

**2. Links to Council Priorities and Objectives**

**Environment**

**3. Recommendation**

**Cabinet is recommended to note the content of this report.**

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**4. Background/Update**

Since the two significant flooding events in August 2013 and July 2014, all the responsible agencies i.e. Anglian Water, the Environment Agency, Essex County Council (Essex Highways and Lead Local Flood Authority) and Castle Point Borough Council have been working together to resolve the drainage issues that worsened the impact of the heavy rain which fell over a short period of time and resulted in internal flooding to a large number of properties. This multi-agency working has resulted in significant improvements to the drainage infrastructure on Canvey Island.

This report seeks to update Cabinet on the work currently being progressed by the various flood risk agencies across the borough.

**Essex Highways**

Essex Highways SWAS are capital funded works to alleviate problems associated with surface water. There are currently five such schemes on

Canvey Island in the Essex Highways risk register, with a combined value of over £500k. All five are in the SWAS capital programme for 2017/18:

### **1. Monico Corner**

This location has been addressed through partnership working between Anglian Water and Essex Highways. Both parties undertook works here in 2016/17, and Essex Highways has additional works which will be delivered in 2017/18, to finish off this project.

These works have resolved a significant surface water issue which had caused problems for businesses and residents for many years.

### **2. Point Road, Canvey**

This scheme is in the Essex Highways SWAS capital programme for 2017/18 for further appraisal work (an initial assessment has been completed), and is programmed for design and works delivery in 2018/19.

Anglian Water has a number of flood incident records for properties in this area and Essex Highways is working closely with them in order to find the best solution to the drainage issues in his area.

### **3. Ouida Road, Canvey**

This scheme is in the Essex Highways SWAS capital programme for 2017/18 for further appraisal and design work (an initial assessment has been completed), and is programmed for works delivery in 2018/19.

Anglian Water discharges into piped drainage to the west of Ouida Road, which extends down to Odessa Road and then extends west to discharge into the dyke which feeds the May Avenue pumping station.

The Integrated Urban Drainage model run by Environment Agency shows that there would be benefits in increasing the pipe size from Odessa Road to the dyke.

Anglian Water would like to explore the possibility of increasing the pipe size in Odessa Road, and also in the possibility of creating attenuation through the use of swales excavated in the verges.

Anglian Water and Essex Highways are working closely together to determine the impact of increasing the discharge into the piped drainage to the west of Ouida Road.

### **4. Hannett Road, Canvey**

This scheme is in the Essex Highways SWAS capital programme for 2017/18 for further appraisal and design work (an initial assessment has been completed), and is programmed for works delivery in 2018/19.

There are no Anglian Water flood incident records for this area.

Anglian Water has an open water course running parallel with the road on the eastern side, and is concerned about proposals within the initial assessment report which explore increasing discharge into the water course. Essex Highways will be liaising closely with Anglian Water regarding its appraisal and design work to ensure the finalised design addresses Anglian Water's concerns and does alleviate flood risk.

## **5. Canvey Sea Front – Western Esplanade and Furtherwick Road**

This scheme is in the Essex Highways SWAS capital programme for 2017/18 for further appraisal and design work (an initial assessment has been completed), and is programmed for works delivery in 2018/19.

With reference to the initial assessment report, Anglian Water owns the drainage infrastructure which discharges water to Thorney Bay Creek. They have no flood incident records for this location.

Anglian Water is keen to explore the option of increasing attenuation possibly through the use of the Labworth open space.

The ECC Flood & Water Management Team may be able to unlock Environment Agency levy funding for this and is exploring this possibility.

### **ECC/ Lead Local Food Authority (LLFA)**

The LLFA has commissioned the building of a bund in West Wood which forms part of a scheme to protect the critical drainage area known as CAS3. Work is underway to build the bund which will be 127m in length and 1.2m above ground level at its highest point. A trash screen has been fitted at either end of the culvert which runs through the bund. The scheme will provide a temporary attenuation area in the wood and will give protection in a one in one hundred year flood event. The wood is jointly owned by the County Council and the Borough Council. A legal agreement is in place which will make the Borough Council responsible for providing CCTV and ensuring the watercourse remains free flowing. The works are underway and nearing completion.

### **Environment Agency**

The South Benfleet Flood Storage Area comprises an on-line storage reservoir on what was originally a tidal creek. The reservoir drains Benfleet Creek through a flapped tidal outfall, which contains a weedscreen.

The Flood Storage Area was developed in 1971 to provide flood storage when the outfall is tide-locked, this was considered necessary following a flood event in 1968.

The Environment Agency is constructing a new weedscreen layout at the outfall pipe which is located at the Ferry Road / South Benfleet Station corner of the site which will allow safe access for their operatives to clean the screen. The works started on 19 July 2017 and are scheduled for completion by the end of November 2017.

**5. Corporate Implications**

**a) Financial Implications**

None for this authority, maintenance of the new culvert in West Wood will be done using existing resources.

**b) Legal Implications**

None for this authority

**c) Human Resources and Equality Implications**

None for this authority.

**6. Timescale for Implementation and Risk Factors**

The timescales for implementation are as set out in this report.

**Background Papers:**

None

**Report Author:** Trudie Bragg, Head of Environment

**CABINET**

**17th October 2017**

**Subject: Planning Policy Update**

**Cabinet Member: Councillor Smith – Regeneration and Business Liaison**

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**1. Purpose of Report**

- 1.1 The purpose of this report is to provide an update on a number of important planning policy matters on which announcement have been made, publications issued and/or work has recently been concluded or is underway.**
- 1.2 It is also intended to provide advice around the progress that is being made in relation to the intention set out in the Local Development Scheme to work with neighbouring authorities on a Joint Strategic Planning Framework.**

**2. Links to Council's Priorities and Objectives**

- 2.1 The matters described in this report are directly linked to the Council's "Transforming our Community" priority – incorporating objectives for putting the right planning framework in place to create a sustainable future.**

**3. Recommendations**

**Having regard to all those matters raised within this report, the following is recommended:**

- 1. The Council note the progress that is being made on Joint Planning matters as detailed in the Table at Appendix 1, including the preparation of shared evidence base work.**
- 2. The Council note the new pieces of evidence base work being undertaken to support plan-making at an Essex wide level, as detailed in the Table at Appendix 1, to address key strategic and cross boundary matters.**
- 3. The Council respond to the consultation on *Planning for the right homes in the right places: consultation proposals*, raising those**



issues identified in sections 4 and 5 of this report relating to the standard methodology and planning fees, but also highlighting support for the proposed 'statement of common ground'.

4. The Council respond to the consultation on the London Draft Housing Strategy, welcoming the Mayor's approach, but highlighting the risks that any failure to deliver may have for authorities in the wider South East.

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## 4. Background

- 4.1 Section 30 of the Town & Country Planning Act 1990 requires local planning authorities to "...keep under review the matters which may be expected to affect the development of their area or the planning of its development".
- 4.2 The table at Appendix 1 sets out a detailed list of matters that have arisen since the Council's Cabinet last received a planning policy update in June 2017. The Table lists the issue, its subject matter, the implications for Castle Point and any action necessary. An overview of the matters set out in the table is provided below.

### Evidence Base

- 4.3 The National Planning Policy Framework at paragraph 158 explains that local planning authorities should ensure that local plan work is based on adequate, up to date and relevant evidence about the economic, social and environmental characteristics and prospects of its area.
- 4.4 To give effect to these requirements, the Council has, over time, collected a wealth of evidence in order to assist with its planning policy work. It is necessary from time to time to refresh this evidence, with the frequency of review determined by the extent to which circumstances change over time. All relevant evidence is published on the Council's website.
- 4.5 Since June 2017, new Household Projections have been published by the Greater London Authority (GLA). These projections have been reviewed in order to determine whether they impact on Castle Point and the wider South Essex Housing Market Area. Work has also continued to progress on:
- South Essex Strategic Flood Risk Assessment
  - South Essex Economic Development Needs Assessment
  - South Essex Retail Needs Assessment
  - South Essex Playing Pitch and Built Facilities Assessment
  - Essex Gypsy and Traveller Accommodation Needs Assessment
- 4.6 In addition to the work previously reported, new work streams have commenced, or are due to commence, in conjunction with others on the following matters:

- Essex Transit Sites for Gypsies and Travellers Assessment
- Habitat Regulations Essex Coast Recreation Avoidance and Mitigation Strategy

### **Duty to Co-operate**

- 4.7 Following on from the agreement by South Essex authorities to enter into a Memorandum of Understanding for Strategic Planning in South Essex, a work programme has been agreed to deliver the requirements of the Memorandum and work is being progressed in accordance with that programme.
- 4.8 Additionally, other Duty to Co-operate work has taken place in relation to the A127, and also at an Essex wide level in relation to developing a protocol for dealing with unmet housing need requests.

### **Consultations**

- 4.9 The Mayor of London has commenced consultation on three draft strategies for Transport, the Environment and Housing. It is expected that these draft strategies will inform the review of the London Plan.
- 4.10 The Government has commenced consultation on a document entitled *Planning for the right homes in the right places: consultation proposals*. This sets out how the Government will deal with some of the more detailed elements of the proposals previously set out in the Housing White Paper.
- 4.11 Notably, it sets out the Government's proposed standard methodology for calculating housing need, and also deals with the issue of agreeing housing targets and other strategic matters jointly through a 'statement of common ground'.

## **5. Planning Implications**

- 5.1 The implications arising from each matter are detailed in the table at Appendix 1; however of particular significance are the 2016-based GLA Projections and the Government consultation on the proposed standard methodology for calculating Housing Need. These two pieces of work both act to underpin the work previously undertaken in relation to the Strategic Housing Market Assessment (SHMA) Addendum 2017, by confirming that when calculated from a number of different perspectives the housing need in Castle Point is of the order of around 311 per annum as previously advised.
- 5.2 However, the standard methodology set out in *Planning for the right homes in the right places: consultation proposals* seek to increase supply in areas of England where housing affordability is poor, primarily within the South East around and in London. This is acting to concentrate development in those areas which also have significant swathes of the Green Belt such as Castle Point. The Council may therefore wish to respond to the consultation in this

regard, as the proposals appear to exacerbate the conflict between development needs and Green Belt restraint that exist in the borough.

- 5.3 The consultation document *Planning for the right homes in the right places: consultation proposals* also sets out proposals about the way in which a 'statement of common ground' may work to deal with strategic planning issues including housing targets and distribution across a Housing Market Area. This proposal aligns well with Castle Point's approach to plan-making as set out in the Local Development Scheme, and also the work being undertaken on a Strategic Planning Framework for South Essex. The Council may wish to highlight this positive engagement with the emerging changes to the plan-making system as part of any consultation response sent.
- 5.4 The Council may also wish to consider whether it responds to the Mayor's consultation on the Draft London Housing Strategy, as this seeks to deliver at least 50,000 homes per annum within London through intensification of land use, without releasing any of the Inner London Green Belt for such purposes.
- 5.5 Whilst the ambitions of the strategy are laudable, there are planning risks associated with seeking to deliver such growth solely through intensification of what is largely brownfield land. Risks arise as a consequence of landownership, land assembly, viability and contamination in particular. These risks may result in an unmet need arising, and/or increased migration flows out of London impacting on population growth, housing demand and housing affordability within Castle Point.

## **6. Corporate Implications**

### **(a) Financial Implications**

- 6.1 At the meeting of Cabinet on 20th September 2017 approval was given to draw from reserves fund to meet the additional cost of emerging planning policy work.
- 6.2 The DCLG consultation document *Planning for the right homes in the right places: consultation proposals* seeks to align the ability of local planning authorities to raise planning fees by 20% with housing delivery in line with housing targets. Housing delivery in Castle Point has been below housing need for a number of years and it will not be able to meet that criteria, constraining its ability to increase planning income. The Council may wish to comment on this proposal.

### **(b) Legal Implications**

- 6.3 The work underway in relation to the Duty to Co-operate will ensure that the Council is able to meet the legal duty as set out in the Localism Act 2011 moving forward.

- 6.4 The work proposed in relation to the Habitat Regulations Essex Coast Recreation Avoidance and Mitigation Strategy will ensure that any plan progressed by Castle Point, either jointly or independently will meet the requirements of the Habitat Regulations in relation to recreational impacts on European sites.

**(c) Human Resources and Equality Implications**

- 6.5 There are no significant human resource implications arising from matters identified in this report.
- 6.6 There are no direct equality impacts arising from the matters raised in this report. However, the Table at Appendix 1 identifies a new work stream aimed at addressing the needs of Gypsies and Travellers in transit which may help to prevent illegal encampments and alleviate conflict between Gypsies and Travellers and the settled community.

**7. Timescale for implementation and Risk Factors**

- 7.1 If the Council is minded to respond to the Government consultation on *Planning for the right homes in the right places: consultation proposals* it should submit a response in accordance with the published deadline of the 9<sup>th</sup> November 2017.
- 7.2 If the Council is minded to respond to the Mayor of London's consultation on the Draft Local Housing Strategy it should submit a response in accordance with the published deadline of the 7<sup>th</sup> December 2017.

**8. Conclusions**

- 8.1 There are significant items of planning policy work recently completed or underway at present. All of this work will be used to inform the preparation of strategic and local policy.
- 8.2 Cross boundary strategic planning work is also now of greater significance and it is important that the Council continues to play an active role both at the South Essex and Essex level.
- 8.3 It is also important that the Council is aware of, and where necessary responds to important consultations of regional or national significance, especially where they have the potential to impact on plan-making in Castle Point or in the wider South Essex Housing Market Area.

**Background Papers:** As described in the report

**Report Author:** Steve Rogers – Local Plan & Regeneration Adviser

## Appendix 1: Table to Planning Policy Update Report

Area Affected	Title	Subject Matter	Implications	Action required
Castle Point				
Castle Point	Local Development Scheme 2017	A work programme for the preparation, publication and adoption of planning policy affecting the borough.	The Local Development Scheme 2017 proposes a local planning framework based on a series of statutory and non-statutory planning documents, covering strategic and local matters. This will also involve the preparation of a joint strategic planning framework for South Essex, to guide strategic development and infrastructure necessary in the area.	Note progress with joint planning work below.
South Essex				
South Essex	Memorandum of Understanding for Strategic Planning in South Essex 2017	The document commits the local planning authorities of South Essex to engage constructively, actively and on an ongoing basis in relation to strategic	The Inspector examining the Castle Point remarked that the Council needed to secure the necessary co-operation on the strategic cross-	Ongoing engagement at officer and Member level with South Essex local planning authorities on strategic planning matters including the preparation

Area Affected	Title	Subject Matter	Implications	Action required
		planning matters under the “duty to co-operate” and to consider the preparation of a joint strategic planning framework to guide development.	boundary matter of housing, with appropriate formal mechanisms.	of joint strategic planning framework.
South Essex	South Essex Strategic Planning Work Programme 2017	Pursuant to the Memorandum of Understanding, a work programme setting out 9 tasks that need to be completed to prepare a strategic planning framework has been agreed by the Members group.	The tasks will move the South Essex authorities towards preparing a joint strategic planning framework, aligning with the Castle Point LDS.	For noting, with ongoing engagement expected.
South Essex	Briefing Note on 2016-based GLA Projections in South Essex	An assessment of the likely implications of the GLA Household Projections, as they affect South Essex. These were published in July 2017, and use 2016 base data. They are therefore more up to date than the 2014-	For Castle Point the 2016-based GLA Household Projections show a slight increase in the base position of around 15 homes per annum. However, this level of difference is relatively insignificant, and it is therefore	For noting and incorporation within evidence base.

Area Affected	Title	Subject Matter	Implications	Action required
		based CLG household projections on which the SHMA Addendum 2017 is based.	advised that the most recent assessment of housing need, as set out in the SHMA Addendum 2017 remains appropriate. The SHMA Addendum 2017 concludes that 311 dwellings per year are required to meet needs.	
South Essex	Strategic Flood Risk Assessment 2017	A review of the South Essex and Southend-on-Sea Strategic Flood Risk Assessments, in accordance with the requirements of national guidance. This review is in two parts; Part 1 will comprise a single document setting out the overall assessment of flood risk for South Essex; Part 2 will comprise separate documents covering the constituent local planning authority	The existing SFRAs were prepared prior to the publication of NPPF. Whilst the planning policy requirements in relation to development and flood risk remains largely unchanged since 2010/11, there have been substantial changes in the management of flood risk at both a national and local level as a consequence of the Flood and Water Management Act 2010.	For noting and incorporation within evidence base, when completed.

Area Affected	Title	Subject Matter	Implications	Action required
		areas, enabling the high level appraisal of individual sites.	Furthermore, in February 2016, the Environment Agency published revised climate change allowances which update the climate change allowances for peak river flow and direct rainfall. This has resulted in the need for the SFRAs to be updated to ensure that the most up to date position in relation to flood risk and climate change is used to inform planning decisions.	
South Essex	Economic Development Needs Assessment 2017	An assessment of the future economic development needs across South Essex and advice on any cross-boundary employment land matters.	The study will provide a definition of the economic market area, provide an assessment of employment sectors and property market trends, as well as current provision. It will	For noting and incorporation within evidence base, when completed.



Area Affected	Title	Subject Matter	Implications	Action required
			then provide a forecast of future employment land requirements, as well as estimating potential “generated” floorspace through increased density or changing work practices. Initial outcomes are indicating that the need for employment floorspace in Castle Point Borough can be effectively met from the existing undeveloped allocations at West Canvey, and other vacant land within existing employment areas. However, some stock condition improvement is necessary across the borough to facilitate this.	
South Essex	Retail Needs Assessment 2017	A strategic retail evidence base for South Essex to assist co-	The study will provide an analysis of retail and leisure spending	For noting and incorporation within

Area Affected	Title	Subject Matter	Implications	Action required
		operation on cross-boundary retail and leisure matters, and an update of existing district level evidence.	patterns and an assessment of catchment areas. It should also provide an estimate of the need for new retail floorspace and leisure uses, together with an assessment for its spatial distribution. Initial outcomes are indicating that the extant permission for retail provision at West Canvey, will meet needs into the future, and no further retail provision particularly outside town centres, is needed in Castle Point in the short to medium term. There may however be some modest growth in commercial leisure demand for restaurants, bars and cafes.	evidence base, when completed.

Area Affected	Title	Subject Matter	Implications	Action required
South Essex	Playing Pitch & Built Facilities Assessment 2017	The Strategy is intended to be used as a supporting document for Local Plan evidence base, inform planning policy and subsequent planning applications. The main objectives of the Strategy are to identify current supply and demand issues for sport and recreation facilities based on quality, service quantity and accessibility and to enable the councils to plan appropriately for the protection and/or enhancement of existing sport and recreation facilities and to identify sites best suited for development/new provision or refurbishment.	The strategy will enable the councils to plan appropriately, in compliance with the NPPF, for the creation of new and/or replacement sport, physical activity and recreation facilities, including opportunities for relocation. It will also allow for a review of the effectiveness of existing local standards and provide policy recommendations for securing investment into sport and open space through planning obligations, consistent with the NPPF, and make recommendations on new local standards for each local authority. Stakeholder engagement is key to this process, and all of	For noting and incorporation within evidence base, when completed.

Area Affected	Title	Subject Matter	Implications	Action required
			the relevant governing bodies such as the FA are involved and there will be a process of engagement with local clubs.	
South Essex and London Borough of Havering	A127 Statement of Common Ground	The A127 connects the London Borough of Havering at Gallows corner with Southend, running through Brentwood, Basildon, Castle Point and Rochford districts in Essex. A Statement of Common Ground has been prepared which indicates support for a joined up approach between the relevant districts and the three highway authorities on this route for seeking funding for the capacity improvements this route requires.	The A127 is operating above, at, or close to capacity along most of its route at peak times. A joined up approach to seeking funding for capacity improvements will better highlight the cumulative impacts of growth on its capacity and achieve the scale needed for bids to be successful.	For noting, and to ensure ongoing engagement at officer and Member level with South Essex local planning authorities and highway authorities on A127 capacity.

Area Affected	Title	Subject Matter	Implications	Action required
Essex				
Greater Essex	Essex Gypsy & Traveller Needs Assessment (GTAA) 2017	An objective assessment, prepared in accordance with latest Government policy (2015), of the need for sites for the gypsy and traveller community in Essex.	The latest Government policy defines gypsy and travellers to exclude those who have ceased to travel. As a consequence the need for pitches in Castle Point may reduce.	For noting and incorporation within evidence base, when completed.
Greater Essex	Transit Sites for Gypsies and Travellers Assessment	An objective assessment of the need for Transit Sites for Gypsies and Travellers in Essex.	The 2015 GTAA identified the need for two transit sites in Essex. Since this time there has been no resolution in relation to this matter, and the number of illegal encampments across Essex, particularly in summer months continues to be high. There is a need for data collected by the Essex Traveller Unit to be reviewed to determine how this issue can be appropriately resolved	For noting and incorporation within evidence base, when complete.

Area Affected	Title	Subject Matter	Implications	Action required
			so that the Police can more effectively use their powers to move illegal encampments on.	
Greater Essex	Habitat Regulations – Essex Coast Recreation Avoidance and Mitigation Strategy	There are 10 European sites on the Essex coast. It is thought that 75% of the visitors to these European sites come from 11 Essex authorities, with a notable degree of overlap. A recreational avoidance and mitigation strategy is needed to reduce the impacts of recreation on these sites in accordance with the Habitat Regulations.	The Recreation Avoidance and Mitigation Strategy will identify how recreation impacts arising from growth in the population can be avoided or mitigated, and put in place mechanisms for delivering such measures. Natural England are indicating that it would be illegal, in the context of the Habitat Regulations, for any of the 11 authorities affected to adopt their local plans without this strategy in place. The Benfleet and Southend Marshes SPA is within Castle Point Borough, and this therefore has	For noting and incorporation within evidence base, when complete and ongoing implementation of any joint or Castle Point specific activities.

Area Affected	Title	Subject Matter	Implications	Action required
			implications for the Joint Strategic Planning Framework and any local plan the Council would wish to prepare.	
Greater Essex	Unmet Housing Needs Protocol	There are a number of housing market areas within Essex. This protocol establishes the process that needs to be followed and the evidence that needs to be provided if one housing market area is asking another to accommodate any aspect of its unmet need.	<p>The protocol establishes the expectations that:</p> <ul style="list-style-type: none"> <li>a) Any unmet need is first considered within the Housing Market Area i.e. South Essex.</li> <li>b) Any unmet need request is accompanied by evidence showing the extent and nature of the search for appropriate sites that has been undertaken.</li> </ul> <p>This protocol will be applied if the Council seeks to make any</p>	For noting.

Area Affected	Title	Subject Matter	Implications	Action required
			request to other authorities to meet any unmet element of its housing need in the future.	
London				
Greater London and Rest of the South East	Mayor of London – Draft Transport Strategy June 2017	Draft version of a transport strategy for London covering the period to 2041. This will form part of the London Plan Review as it is progressed	The draft transport strategy seeks a reduction in private vehicle travel and an increase in travel by public transport and active means (walking and cycling over its lifetime. It recognises that there are connections with the wider South East which are affected by growth in those areas and also growth in London. Proposals are included within the strategy for enhancements to the London Underground District Line and new connections between	For noting.



Area Affected	Title	Subject Matter	Implications	Action required
			Barking and Barking Riverside which will offer some capacity improvements between Upminster and West Ham. The Mayor has also set out a policy which indicates that he will support improvements which enhancement travel by public transport between London and the rest of the UK, with a focus on integrated services. South Essex is specifically identified as an initial priority in this regard.	
Greater London and the Rest of the South East	Mayor of London – Draft London Environment Strategy	Draft version of an Environment Strategy covering the period to 2050. This will form part of the London Plan Review as it is progressed.	This strategy considers how the environment in London can be improved to the benefit of wildlife and the quality of life of people living in London. Significantly, it proposes measures to	For noting.

Area Affected	Title	Subject Matter	Implications	Action required
			<p>improve air quality in London and improve access to green spaces. It also seeks to achieve zero carbon and zero waste by 2050. As a recipient of migrants from London, such measures will have benefits in the long run for Castle Point, as people moving into the area should be healthier as a consequence of these measures. However, the application of stricter measures in London compared to elsewhere in the UK may see older diesel vehicles (taxis, buses etc.) moved out of London to other areas in the short term impacting on air quality elsewhere.</p>	

Area Affected	Title	Subject Matter	Implications	Action required
Greater London and the Rest of the South East	Mayor of London – Draft Housing Strategy	Draft version of a Housing Strategy covering the period to 2041. This will form part of the London Plan Review as it is progressed.	The emerging SHMA for London is indicating that need is expected to rise above 49,000 homes per annum currently planned for in the London Plan. The draft Strategy therefore seeks to plan for at least 50,000 homes per annum. This is significantly above the 29,000 homes per annum completed in recent years, requiring a significant boost in delivery. The draft Strategy identifies a number of interventions in this regard, including increased public spending and investment in both housing and supporting infrastructure. In relation to supply, the Mayor has reiterated the long term	The Chief Executive may wish to respond to the consultation on this Draft Housing Strategy in consultation with the Leader of the Council.

Area Affected	Title	Subject Matter	Implications	Action required
			<p>position for London in terms of protecting the Green Belt and focusing on urban intensification. Increasing development densities is therefore the focus of the plan, although not necessarily with all development being high-rise. There is an expectation that there will be more development delivered in more locations as mid-rise. It is also expected that supply from this type of development will be increased from outer London authorities. There is no explicit acknowledgement in the strategy that London will not be able to meet its housing needs, however it does recognise that there are opportunities</p>	

Area Affected	Title	Subject Matter	Implications	Action required
			in the wider region that could accommodate growth through investment in strategic infrastructure. This could have implications for Castle Point due to its proximity and commuting relationship with London.	
National				
England	Planning for the right homes in the right places: consultation proposals	<p>Earlier in 2017, the Government consulted on the Housing White Paper. That paper included proposals for changes to the way planning works which required further consultation on detailed matters. This document sets out those detailed matters and seeks consultation responses. Matters covered include:</p> <ul style="list-style-type: none"> <li>Calculating housing need</li> </ul>	<p>The proposed changes to planning would have the following implications for Castle Point:</p> <ul style="list-style-type: none"> <li>Standard methodology for calculating housing need applies an affordability adjustment to the most recent CLG Household Projection. For Castle Point this</li> </ul>	The Chief Executive may wish to respond to the consultation by is DCLG, in consultation with the Leader of the Council.

Area Affected	Title	Subject Matter	Implications	Action required
		<ul style="list-style-type: none"> <li>• Statements of common ground</li> <li>• Planning for a mix of housing needs</li> <li>• Viability Assessment</li> <li>• Planning fees</li> </ul>	<p>gives rise to an annual requirement for 342 homes per annum. This is slightly more than the SHMA Addendum 2017 identified.</p> <ul style="list-style-type: none"> <li>• Requirement for all local authorities to have a statement of common ground in place within 12 months, which as a minimum deals with housing matters, but also any other strategic matters. This aligns with the approach set out in the Castle Point LDS.</li> </ul>	

Area Affected	Title	Subject Matter	Implications	Action required
			<ul style="list-style-type: none"> <li>• Requirement for housing need to be disaggregated between different types and planned for accordingly. This means that, for example, Castle Point would need to specifically plan for provision for older people, in line with the need identified in the SHMA.</li> <li>• Requirement for local planning authorities to test the viability of their proposals in Local Plans, and where such plans are viable, no need for this to be re-tested at application stage.</li> </ul>	

Area Affected	Title	Subject Matter	Implications	Action required
			<p>This will require proposals brought forward by the Council as part of the plan-making process will need to be subject to viability testing.</p> <ul style="list-style-type: none"> <li>• Ability to increase fees by 20% of delivery of homes aligns with need. As it currently stands, this criteria would exclude the Council from charging the increased fee.</li> </ul>	



**CABINET**

**17<sup>th</sup> October 2017**

**Subject: Update on Regeneration Matters**

**Cabinet Member: Cllr Colin Riley  
Leader of the Council – Strategic Partnerships**

**Cllr Norman Smith  
Regeneration & Business Liaison**

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**1. Purpose of Report**

**1.1 This report is to inform the Cabinet of progress with current active regeneration initiatives.**

**2. Links to Council's priorities and objectives**

**2.1 The initiatives described in this report are directly linked to the Council's "Transforming our Community" priority – incorporating objectives for a sustainable future and the regeneration of town centres.**

**3. Recommendations**

**3.1 That the Cabinet notes the progress underway on these initiatives.**

**3.2 That Cabinet approves the draw-down of £25,000 from reserves in 2017/18 to carry out and complete master planning work for the Canvey Seafront area.**

**3.3 That Cabinet approves the draw-down of a further £8,500 from reserves in 2017/18 to continue the feasibility work for the Paddocks site.**

**3.4 That the Cabinet approves the participation of the Council in the "GoTrade" project with funding from the "Interreg" programme.**

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**4. Background**

**4.1 The Cabinet receives regular reports on regeneration initiatives underway in the Borough, co-ordinated by the Castle Point Regeneration Partnership.**

**4.2 This report seeks to inform the Cabinet regarding progress with the following key projects.**

- 4.3 For the Hadleigh Town Centre “Gateway” site, negotiations continue with the selected development partner Hollybrook and Essex County Council regarding proposals for a mixed use redevelopment comprising a new library, community space, artists’ studios, as well as commercial space and residential development. A separate report will be presented to a future meeting of the Cabinet for authority to enter into any final agreement.
- 4.4 Proposals are also being advanced to allow for egress from the Morrison’s store onto London Road, as well as potential and consequential alterations to the bus lane.
- 4.5 For Canvey Island, preparatory work is underway on a proposed master plan for the seafront area, to incorporate additional car parking and new and improved amenities. The Cabinet’s authority is sought to draw £25,000 from reserves in order to commission architects to complete this work.
- 4.6 Similarly a further phase of feasibility work is now required for proposals for new community space and facilities at The Paddocks site, and again the Cabinet’s authority is sought to draw £8,500 from reserves in order to commission architects to continue this work.
- 4.7 Finally the Council joined a consortium of other local authorities in order to seek European funding for support for existing and new town centre markets through the ‘Interreg ‘Go Trade’ initiative. Castle Point stands to benefit from E165,000 (c £131,000) of funding in total over 3.5 years in return for an additional in-kind contribution of approximately E75,000 (c £67,000) - the in-kind contribution is to be met from existing staff time. The monies will be used to introduce a high quality new market on Canvey in 2018 and in Hadleigh in 2019 through the securing of appropriate locations for the market, purchase of market stalls, promotion and marketing and the appointment of a part time Market Co-Ordinator, which will be taken from the existing staffing establishment.
- 4.8 It is proposed that the Interreg funding is utilised as follows:

<b>Category</b>	<b>Amount</b>
Equipment (incl. Market Stalls, Digital Corner etc.)	E59,000 (£48,700)
Market Co-ordinator	E62,000 (£46,500)
Marketing, Communications and business support	E29,000 (£23,800)
Project management (incl. admin & travel)	E15,000 (£12,600)

- 4.9 Cabinet’s authority is sought to enter into the necessary programme agreements to participate and take benefit from this project.

## **5 Corporate Implications**

### **a. Financial Implications**

- 5.1 Cabinet is asked to note and agree a budget of £25,000 for a seafront master planning work and £8,500 for further feasibility study work for improved community amenities at the Paddocks site. Cabinet is also asked to note the “in-kind contribution to the “Go Trade” project.

### **b. Legal Implications**

- 5.2 Any contracts and expenditure mentioned in this report are and will be in accordance with Council procedures.

### **c. Human Resources & Equality Implications**

- 5.3 There are no implications of this kind arising from the recommendations in this report. The in-kind contribution of staff time can be accommodated within the existing establishment and approved budget.

### **d. Timescale for implementation & risk factors**

- 5.4 The work on a seafront master plan can be completed by the end of the Calendar year. The additional work regarding community amenities at The Paddocks also has a similar time frame.
- 5.5 The “GoTrade” project has an anticipated life of three and a half years. Initial work will involve project set-up and options for the delivery of a market offer in both Canvey and Hadleigh town centres.

## **6 Conclusions**

- 6.1 The Regeneration Partnership is continuing to pursue the ambitions described originally in the Regeneration Framework.
- 6.2 Furthermore officers continue to work with representatives of local businesses in order to provide any necessary advice as well as discussing potential initiatives that may improve their competitiveness as well as the local environment within which they operate.

**Background Papers** None

**Report Author:** Steve Rogers – Local Plan & Regeneration Adviser

**CABINET**

**17<sup>th</sup> October 2017**

**Subject: Update: Customer Engagement & Commercialism**

**Cabinet Member: Councillor MacLean - Customer Engagement & Commercialism**

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**1. Purpose of Report**

**This report is intended to provide an overview to Cabinet of the work which is currently in progress and/or planned within the scope of Customer Engagement and Commercialism.**

**2. Links to Council's Priorities and Objectives**

**This report is linked to the Council's priority of Efficient and Effective Customer Focused Services.**

**3. Recommendations**

**That Cabinet note the report and support the various initiatives described within.**

**Resolution required.**

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**4. Introduction**

**4.1 Customer Engagement & Commercialism are themes which cut across all Council services and all levels of the organisation.**

**4.2 Customer Engagement refers to how residents interact with the Council and gain access to the Council's services. Customer engagement takes many forms including, but not limited to, traditional telephone contact, visits in person to the Council's Offices and online service access using the Council's website. Activities in this area are broadly focussed on three key themes; developing greater customer insight, increasing awareness and accessibility of services, and working with partners to enrich the customer experience.**

**4.3 Commercialism is a relatively new term in the context of local government, and it is fair to say that the Council is just starting out on this particular journey. The programme which is forming under this theme as expected includes a focus on raising additional revenue, but will also include establishing greater financial awareness in terms of our costs, smarter ways of working in order to reduce those**

costs with the objective of achieving financial self-sufficiency in the medium to longer term.

## **5. Work in progress**

5.1 The work plan is ambitious and by its nature will be continuous. There will always be new ideas, new ways of working and new technological advances. The needs and expectations of our residents will continue to evolve and the Council must be mindful of all these drivers and keep pace, whilst continuing to deliver high quality and essential services to residents in a consistent and reliable manner.

5.2 The following bullet points are intended to give an indication of the work which has been completed or is currently in progress.

### **5.3 Customer & Partner Engagement:**

Understanding our customers and partners can help us to design service delivery in a way that maximizes common interests and benefits for all.

- In response to feedback regarding the need for digital support across the borough a Service Level Agreement with Family Mosaic has been established, providing a Drop-In service support the digital campaign and give independent advice to residents on personal matters including financial issues, benefits, and housing.
- The Council continues to receive ongoing support under the Community Information Partnerships agreement with ECC Libraries, providing residents with access to a range of council information and supporting the Council's digital campaign.
- Work has begun to build relationships with a range of partners to increase the range and scope of customer engagement opportunities and maximise opportunities for cross promotion of services. Examples include engaging local estate agents and solicitors in promoting digital registration for Council Tax when customers move home, and a flyer competition held in conjunction with Canvey Island Junior School and Sainsbury's to engage young families in the council's digital campaign and increase awareness of e-services.
- Implementing Short Message Service (SMS) – a reply service provided by the Revenues and Benefits service to increase quick and easy two way communication for customers.

### **5.4 Digital on-line:**

Digital on-line is often also referred to as “digital access” or “digital service”. These terms all mean access to services / information via the Council's website, which is intended to offer a faster, more responsive and convenient service to residents.

- Since April 2017, customers have been able to conveniently submit new benefit claims to the Council electronically online, streamlining the claim process, and increasing awareness and use of the Council's website.
- The first of several e-forms has been introduced to our website, enabling customers to report moves into the borough. These forms react to user's

answers, alert them to incorrect or incomplete answers and assist them through the process with help messages. Further forms (for reporting moves out and within the borough, and for claiming discounts and exemptions) are planned, and these are expected to further increase web traffic and opportunities to cross promote services through use of embedded web links.

#### 5.5 First Contact:

The transformation of the First Contact space in the Council Offices in January 2017 now provides a great opportunity to help the public build digital skills and promote our services more effectively.

- The service has been offering digital support to customers via appointment or drop in and publicising other digital support providers around the borough. This is intended to enhance life skills and employment opportunities for individuals – as well as enabling greater access to the Council's own online facilities.
- The service has also been actively encouraging use of self-serve transactions via web and email messaging. The 'Save time – click to go online!' email logo has been implemented and some standard email content has been updated to now include web links to other online services.
- Digital campaign banners were displayed in the Atrium as well as at Sainsbury's and local Libraries and it is hoped that a more co-ordinated programme of publicity in the Atrium and in public areas around the borough can be developed going forward.

#### 5.6 Commercialisation:

Much of the initial work under this theme will be of a financial nature and as such the intention is to undertake it alongside preparation of the budget for the new financial year.

- Development of Principles of being a Commercial Council. The expression "Commercialisation" has many interpretations and encompasses a range of behaviours which may or may not be applicable to this organisation. The purpose of establishing a set of Commercial Principles is to express how the term will be applied specifically by this Council.
- Understanding the Cost of Discretionary Functions. Work is in progress to establish the net cost to the Council of its discretionary services / activities on an individual service basis. This work will clearly set out the level at which specific discretionary services are subsidised.
- Review of Chargeable Services. Similar to the work involved in relation to discretionary services above. Going forward it is desirable for charges for services to be set at a level which at least covers their direct costs.

### 6. Work to commence

- 6.1 The following bullet points set out examples of areas which will be subject to review / consideration over the next 12 to 18 months. This work programme is flexible and items are not presented in any priority order

- Community Engagement Events
  - Stronger engagement with local community groups.
  - Improve financial viability of Council operated community events.
  - Enabling community groups to play a greater role / take the lead on community events and initiatives.
- Engagement with Local Business
  - Exploring opportunities to promote Council facilities and services.
  - Development of a co-ordinated promotions/advertising strategy.
- Engagement with Residents & Users of Council's services
  - Undertake a review of how the Council currently engages with residents' e.g. social media, viewpoint, website etc.
  - Continued promotion of digital online to staff, residents, and partners.
  - Undertake customer surveys to gather feedback and areas to improve digital services (this is currently already in development for users of the Benefit e-form).
  - Review the Customer First Strategy to fully reflect digital and traditional customer service channels and new standards of service.
- Commercialism
  - Finalisation and adoption of a set of commercial principles.
  - Undertake a "gap analysis" – what the council needs to do in order to fully comply with its own commercial principles.
  - Strategy for moving towards full cost recovery for discretionary and chargeable services (expected to be identified within the aforementioned gap analysis).
  - Consideration and possible introduction of internal trading accounts for specific services – supported by income targets.
  - Consideration of discontinuation of internal recharging.

## **7. Corporate Implications**

### **a) Legal implications**

There are no additional implications arising as a result of this report. Specific legal implications will be considered in the context of individual subjects / services.

### **b) Financial Implications**

The Council's medium term financial forecast currently indicates a budget gap for 2018/19 of approximately **£500k**, rising to approximately **£1m** in 2019/20.

With the depletion of government funding and limitations on levels of council tax, the Council needs to work towards self-sufficiency in the medium to longer term. This can be achieved by behaving in a more commercial way and is a strategy being adopted across all areas of local government.

The budget process for 2018/19 is currently underway and will include the presentation of an up to date financial forecast to Cabinet and Council in February 2018.

**c) Human Resources and equality implications**

No additional implications as a result of this report. Equality implications will be considered in the context of individual subjects / services.

**d) Timescale for implementation and risk factors**

These are initial projects identified for consideration during the current financial year and / or work currently in progress.

**Report Author:** Chris Mills, Head of Resources  
Edwina Mosuro, Transformation Manager



**CABINET**

**17th October 2017**

**Subject: Treasury Management Activity Mid-Year Report**  
**Cabinet Member: Councillor Stanley – Finance Policy & Resources**

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**1. Purpose of Report**

The mid-year treasury report is a requirement of the Council's reporting procedures. It summarises the Council's treasury management activity for the first five months of the current financial year. Supporting information is provided within Annexes A and B.

The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

This report follows an equivalent report approved by Audit Committee on 18 September 2017 which also reported performance for the first five months.

**2. Links to Council's priorities and objectives**

The scrutiny and approval of the Council's Treasury Management activity is linked to the Council's objective of Improving the Council through sound financial management.

**3. Recommendation:**

That following scrutiny, the Treasury Management Activity Mid-Year Report for 2017/18 is approved.

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## **4. Treasury Management Activity Mid-Year Report 2017/18**

### **4.1 Introduction**

- 4.1.1 Treasury management is:- *“The management of the organisation’s cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*
- 4.1.2 The Code of Practice requires the Council to set annually a Treasury Management Strategy and Investment Strategy. The strategies for the 2017/18 financial year were approved by Council on 15<sup>th</sup> February 2017.
- 4.1.3 This report confirms that Treasury Management activity during the year to date has been undertaken in accordance with strategy and in consultation, where appropriate, with our external adviser, Capita Asset Services.

### **4.2 Borrowing**

- 4.2.1 There has been no change in the Council’s borrowing position from that reported at the end of the previous financial year. Although PWLB rates are at historically low levels, there is no requirement for General Fund borrowing or repayment in the next few years. No change in HRA debt is currently expected until the first loan matures in 2021.

A summary of external borrowing at 31<sup>st</sup> August 2017 is shown at Annexe A.

- 4.2.2 Annexe A shows that interest paid on General Fund borrowings and on HRA borrowings for the year to date is as budgeted.
- 4.2.3 The Council’s policy on capital expenditure and borrowing is set out in the Capital Finance section of the annual Policy Framework and Budget Setting Report, and as part of this, the affordability of new capital proposals has to be demonstrated. Borrowing can only be undertaken for the purposes of capital expenditure, and not for day-to-day revenue expenditure. The financial impact on the longer-term budget positions for both the General Fund on the Medium Term Financial Forecast and the Housing Revenue Account on the HRA Business Plan, would need to be taken in to account. Any new borrowing would result in additional annual interest charges to either the General Fund or HRA, as well as the need to set aside sums from those funds for future repayment of the principal.
- 4.2.4 Although borrowing rates are currently low any potential new borrowing would have to be fully justifiable in terms of the need to borrow. Additional borrowing would be considered for individual projects where for example the business case determines repayment of debt is affordable and can prudently be made out of new revenue generated. No additional borrowing is currently planned.
- 4.2.5 Periodically officers explore the option to reschedule or repay current loans, However at the current time it is not viable for the Council to reschedule its debt in to cheaper loans as repayment of all current PWLB loans would incur significant premiums to do so.

### **4.3 Investments**

- 4.3.1 The investment activity during the year to date conforms to the approved strategy, and the Council has had no liquidity issues. Investments are managed internally using only those institutions which meet the Council’s strict investment criteria, within a

permissible range of periods, depending on the Council's cash flow and the interest rates on offer.

- 4.3.2 The majority of investments to date in 2017/18 continue to be in AAA-rated Money Market Funds. A Money Market Fund is a pooled source of funds invested in a wide range of short-term investments, and managed by an independent fund management company. Frequently these are well known banks or investment houses. AAA is the highest investment rating available and means that there is very low credit risk in an entity which is awarded that rating.
- 4.3.3 Funds may be deposited with the Debt Management Office (DMO), an executive agency of HM Treasury, but the facility has not been used this year due to the very low rate of interest.
- 4.3.4 With the exception of the DMO, total investments with any one institution do not exceed **£2.5m**. Internal guidance ensures that at least **60%** of investments at any time are placed with institutions rated AAA.
- 4.3.5 The Council invests in treasury bills and certificates of deposit. They can achieve slightly better rates of interest and more diversification without significant loss of security and are regularly used by other local authorities. At 31<sup>st</sup> August 2017 the Council held **£3.0m** in treasury bills with a maximum maturity of 6 months.
- 4.3.6 Annexe B summarises the Council's temporary investment activities for the year to date. The amount available for investment varies daily according to the Council's aggregate financial position on all activities. At the end of August 2017 the amount invested was **£28.9m** and the average amount invested for the year to date was **£29.4m**.
- 4.3.7 Annexe B also shows that the amount of interest received on investments to date is **£29,356**. This exceeds budget by **£13,356**. The budget for the full year is **£40,000**. Investment rates earned and investment balances are currently both higher than forecast. The average rate is **0.24%**, more than the benchmark 7-day LIBID rate of **0.11%** (LIBID or the London Inter Bank Bid Rate is the rate at which major London banks borrow from each other).
- 4.3.8 Any changes required to the interest budgets will be addressed in the forthcoming budget cycle.

#### **4.4 Benchmarking**

The current position on three benchmark indicators for 2017/18, explained in the Annual Investment Strategy, is reported as follows:

- Security - Weighted Credit Rating Score for the year to date of **6.0** exceeds the target of 4 (the scale goes from 0 to 7).
- Liquidity – Weighted Average Life is at a reasonably liquid level, currently averaging **34 days**.
- Yield – interest received on investments currently exceeds target as reported above.

#### **4.5 Brexit & Economic Uncertainty**

- 4.5.1 The Bank of England Base rate has remained at 0.25% since August 2016 and is currently forecast to stay at this level until 2019. The high degree of uncertainty over the UK's future trade relationship with the EU may lead to lower GDP growth over the

next two years and low interest rates that could erode banks' revenues and modestly weaken the credit quality of their loan books. Yet despite this, UK banks' solvency will remain robust. Consequently the Council will earn very low rates of interests on its temporary investments, and may be further restricted in where it can invest funds.

- 4.5.2 The Council will continue to adhere to strict investment criteria. Security and liquidity remain the priority. The Council will then invest for yield. It is anticipated investments will continue to have a short-term average maturity (less than 2 months) and earn low rates of interest. Officers will continue to monitor interest rates offered and seek to ensure the best return possible, without compromising security and liquidity, and within limits specified in the Investment Strategy and internal guidance.

## **5 Corporate Implications**

### **a Legal implications**

The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance, including:

- The Local Government Act 2003, and associated Statutory Instruments;
- The CIPFA Prudential Code for Capital Finance in Local Authorities;
- The CIPFA Code of Practice for Treasury Management in the Public Services.

The Council continues to comply with all of the relevant statutory and regulatory requirements.

### **b Financial implications**

Any required changes in interest estimates will be implemented as part of the forthcoming 2018/19 budget cycle.

### **c Human resource and equality implications**

There are no new implications.

### **d Timescale for implementation and risk factors**

A mid-year report is now presented to the Audit Committee during September each year and subsequently reported to Cabinet.

## **6 Conclusion**

The results for the five months to 31<sup>st</sup> August 2017 continue to demonstrate prudent and efficient treasury management.

### **Background Papers:**

Chartered Institute of Public Finance and Accountancy: *Code of Practice for Treasury Management in the Public Services*.

CPBC: *Treasury Management and Investment Strategy Statement for 2017/18*.

*Audit Committee 18 September 2017: Treasury Management Activity Mid-Year Report*

## Summary of Loan Transactions and Interest Payable (accrued daily) for the period to 31st August 2017

### Loan transactions activity for the period

	Amount o/s 01/04/2016 £	Loans Repaid £	Amount o/s 31/08/2017 £
<b>Public Works Loan Board</b>			
General Fund	5,250,000	0	<b>5,250,000</b>
HRA	36,451,000	0	<b>36,451,000</b>
<b>Totals for the Council</b>	<b>41,701,000</b>	<b>0</b>	<b>41,701,000</b>

### Interest payable Comparison of estimate with actual

Budget Profile to 31/08/2017 £	Actual Interest to 31/08/2017 £	Variance 31/08/2017 £
87,500	<b>87,524</b>	-24 0.0%
457,300	<b>457,321</b>	-21 0.0%
<b>544,800</b>	<b>544,845</b>	<b>-45 0.0%</b>

### Interest rates for the year

	Range of loans		Average
	From	To	
General Fund	3.70%	4.10%	<b>3.95%</b>
HRA	2.31%	3.49%	<b>2.98%</b>
<b>Totals for the Council</b>	<b>2.31%</b>	<b>4.10%</b>	<b>3.12%</b>

### Base rate history

08/01/2009	1.50%
05/02/2009	1.00%
05/03/2009	0.50%
04/08/2016	0.25%
31/08/2017	0.25%

**Summary of Temporary Investments and Interest Received (accrued daily)  
for the period to 31st August 2017**

Type of Borrower	Amount Invested 01/04/2017 £	Made in the Period £	Repaid in the Period £	Amount Invested 31/08/2017 £
<b>Investments by Value:</b>				
Debt Management Office	0	0	0	0
Treasury bills	3,397,440	2,996,852	3,397,440	2,996,852
Local Authorities	4,000,000	5,500,000	4,000,000	5,500,000
Money Market Funds	19,320,000	34,565,687	35,955,687	17,930,000
Certificates of deposit	0	0	0	0
Notice accounts	1,500,000	0	0	1,500,000
Bank deposits	500,000	0	0	500,000
<b>Investments</b>	<b>28,717,440</b>	<b>43,062,539</b>	<b>43,353,127</b>	<b>28,426,852</b>
Lloyds current account	510,350	0	6,193	504,157
<b>Cash equivalents</b>	<b>510,350</b>	<b>0</b>	<b>6,193</b>	<b>504,157</b>
<b>Total</b>	<b>29,227,790</b>	<b>43,062,539</b>	<b>43,359,320</b>	<b>28,931,009</b>
	Number	Number	Number	Number
<b>Number of Investment Transactions:</b>				
Debt Management Office	0	0	0	0
Treasury bills	5	3	5	3
Local Authorities	2	3	2	3
Money Market Funds	51	66	68	49
Certificates of deposit	0	0	0	0
Notice accounts	2	0	0	2
Bank deposits	1	0	0	1
<b>Investments</b>	<b>61</b>	<b>72</b>	<b>75</b>	<b>58</b>
Lloyds current account	1	0	0	1
<b>Cash equivalents</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Total</b>	<b>62</b>	<b>72</b>	<b>75</b>	<b>59</b>

**Interest Received on Temporary Investments  
for the period to 31st August 2017**

	£
Actual Interest Received	29,356
Revised estimate	16,000
Variance	13,356
	83%

**Temporary Investments**

Average Balance for the Period	29,400,576
Average Interest Rate for the Period	0.24%
Benchmark: Average 7-Day LIBID Rate	0.11%

**CABINET**

**17<sup>th</sup> October 2017**

**Subject: Discretionary Rate Relief – Business Rates –  
Supporting Small Businesses, Relief for Pubs and  
Local Discretionary Fund**

**Cabinet Member: Councillor Stanley – Deputy Leader**

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**1. Purpose of Report**

**This report sets out changes to the Council's Discretionary Rate Relief Policy which has been required to be revised as a result of announcements made in the Spring 2017 Budget.**

**The Discretionary Rate Relief Policy was last revised in December 2014 to reflect government proposals on granting discretionary rate relief of up to £1,500 to all occupied retail properties with a rateable value of £50,000 or less in 2015-16 (up to £1,000 in 2014-15) and an extension of Transitional Relief arrangements using Discretionary Rate Relief powers. Both of these schemes are now finished.**

**At the Spring Budget 2017 the Government announced three specific measures aimed at providing additional relief to ratepayers adversely affected by the 2017 Revaluation which came into force 1 April 2017.**

**2. Links to Council's priorities and objectives**

- **Efficient and effective customer focussed services**

**3. Recommendations**

- **That Cabinet note and approve the proposed revised Policy for the granting of Discretionary Rate Relief Policy – Annex A**
  - **Delegate decisions on individual applications to the Revenues Manager or other senior officer within Revenue Services**
- 

**4. Background**

**The Chancellor announced in the Spring Budget 2017 that a discretionary fund would be made available to support those businesses that face the steepest increases in their business rates as a result of the 2017 revaluation. Such relief to be targeted to:**

- Supporting Small Businesses
- New Business Rate Relief Scheme for Pubs
- 'Local' Discretionary Rate Relief Scheme.

## 5. Amendments to the Discretionary Rate Relief Scheme

The proposed Discretionary Rate Relief Policy has therefore been amended to reflect the Spring 2017 Budget changes, namely:

- **Supporting Small Businesses** – aimed at helping those businesses who, as a result of the change in their rateable value at the 2017 revaluation, are losing some or all of their small business rate relief and, as a result, are facing large increases in their bills. This means that in the first year of the scheme, all ratepayers losing some or all of their small business rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter.
- **Public House Relief** – This provides relief of £1,000 for one year only (1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018) for all eligible public house that have a rateable value of less than £100,000 on 1<sup>st</sup> April 2017.
- **Discretionary 'Local' Business Rate Relief Scheme** – In line with the Government's recommendations following consultation, support will be provided only to those ratepayers who are facing an increase in their bills following revaluation (this is a condition of the central government grant). Therefore, taking into account the government's assumptions in relation to the distribution of funding the Council will compare the following:
  - I. The rate liability of the ratepayer at 31<sup>st</sup> March 2017 after any reliefs and reductions; and
  - II. The rate liability of the ratepayer as at 1<sup>st</sup> April 2017 taking into account any transitional relief or discretionary relief.

Relief will be awarded where the calculation above results in an increase of more than 8%. Relief will only apply to those properties with a rateable value of less than £200,000.

The Council has consulted with the major preceptors in relation to this Scheme and has taken their comments into account when determining the eligibility criteria.

## 6 Government funding for revaluation support schemes

The government funding was allocated by a formula that took account of the increase in rateable value for properties where the increase is more than 12.5% (before reliefs) and the rateable value is less than £200k. On this basis Castle Point's share of the funding being provided by the Government is:



Amount of discretionary pot awarded (£000s)			
2017-18	2018-19	2019-20	2020-21
106	52	21	3

Note: in 2017-18, the Government grant actually to be paid to Castle Point is £53,217, which reflects the 40% share for Castle Point and the total 10% share for Essex County Council and Essex Fire Authority, which will be adjusted and applied over to them at the end of the financial year.

## 7. Corporate Implications

### a. Financial implications

Depending on which type of relief is awarded will dictate whether there is a cost to the Council and/or central government as shown below:

Relief Type	% cost borne by Central Govt	% cost borne by ECC and EFA	% cost borne by the Council
Discretionary relief granted to Mandatory Relief recipients ('top up')	50%	10%	40%
Non profit making organisations	50%	10%	40%
Sports clubs and societies	50%	10%	40%
Other Localism Act Rate Relief	50%	10%	40%
Supporting Small Businesses (funded by Government grant)	100%	0%	0%
Relief scheme for pubs (funded by Government grant)	100%	0%	0%
'New' Discretionary relief scheme (funded by Government grant, up to maximum of £106k in 2017/18)	100%	0%	0%
'New' Discretionary relief scheme (any relief awarded above £106k)	50%	10%	40%

The government will, in line with the eligibility criteria set out in the guidance, reimburse local authorities that use their discretionary relief powers, under Section 47 of the Local Government Finance Act 1988, as amended, to grant relief. It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under Section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under Section 31 of the Local Government Act 2003). In view of the fact that such expenditure can be reimbursed, the government expects local government to grant discretionary relief to qualifying ratepayers.

**b. Legal implications**

The Council has responsibilities under Section 47 of the Local Government Finance Act 1988 to consider applications for Discretionary Rate Relief. Section 69 of the Localism Act 2011 amended Section 47 to give local authorities the power to grant relief in any circumstances provided that it would be reasonable to do so having regard to the interests of council tax payers in its area. Failure to have a policy in place to deal with such cases on an individual basis or a scheme for relief could lead the Council open to a charge of maladministration.

**c. Human resources and equality implications**

None as a result of this report

**d. Timescale for implementation and risk factors**

The main risk relates to ensuring that the local rules for revaluation support do not lead to costs greater than the Government funding being made available, as that would add to the financial pressures facing the Council.

Government is keen for local authorities to make payment under the revaluation support schemes as quickly as possible.

Relief from taxes, including non-domestic rates can constitute State Aid.

**8. Background Papers:**

Discretionary Rate Relief Policy – Annex A

Local Government Finance Act 1988

Localism Act 2011

8 March 2017 Budget:

<https://www.gov.uk/government/publications/spring-budget-2017-documents>

Business Rates Information Letter (2/2017): Spring Budget:

<https://www.gov.uk/government/publications/22017-spring-budget-support-for-business>

Business Rates Information Letter (4/2017): Spring Budget Update:

<https://www.gov.uk/government/publications/42017-spring-budget-update>

**Report Author: Gary Burns – Revenues Manager**