

# Cabinet Meeting

**Grand Jury Room, Town Hall, High Street,  
Colchester, CO1 1PJ  
Wednesday, 25 January 2023 at 18:00**

**The Cabinet** deals with the implementation of all Council services, putting into effect the policies agreed by Full Council and making recommendations to Full Council on policy issues and the budget.



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**COLCHESTER CITY COUNCIL**  
**Cabinet**  
**Wednesday, 25 January 2023 at 18:00**

Leader and Chair	Councillor King (Liberal Democrats) Councillor Cory (Liberal Democrats) Councillor Cox (Labour) Councillor Fox (Labour) Councillor Goss (Liberal Democrats) Councillor Luxford Vaughan (Liberal Democrats) Councillor Nissen (Labour) Councillor J. Young (Labour)
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**AGENDA**  
**THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING**  
**(Part A - open to the public)**

**Live Broadcast**

Please follow this link to watch the meeting live on YouTube:

[\(107\) ColchesterCBC - YouTube](#)

**1 Welcome and Announcements**

The Chair will welcome members of the public and Councillors and remind everyone to use microphones at all times when they are speaking. The Chair will also explain action in the event of an emergency, mobile phones switched to silent, and the recording and streaming of the meeting. Councillors who are members of the Committee will introduce themselves.

**2 Urgent Items**

The Chair will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

**3 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of



the item or participating in any vote upon the item, or any other registerable interest or non-registerable interest.

**4 Minutes of Previous Meeting**

The Cabinet will be invited to confirm that the minutes of the meeting held on 16 November 2022 are a correct record.

**16-11-22**

9 - 18

**5 Have Your Say! (Hybrid Council Meetings)**

Members of the public may make representations to Cabinet meetings on any item on the agenda or any matter relating to the work of Cabinet. This can be made either in person at the meeting or by joining the meeting remotely and addressing the Cabinet via Zoom. Each representation may be no more than three minutes. Members of the public wishing to address Cabinet remotely may register their wish to address the meeting by e-mailing [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk) by 12.00 noon on the working day before the meeting. In addition, a written copy of the representation should be supplied for use in the event of technical difficulties preventing participation at the meeting itself.

There is no requirement to pre-register for those attending in person.

**6 Decisions Reviewed by the Scrutiny Panel**

The Cabinet will consider the outcome of a review of a decision by the Scrutiny Panel under the call-in procedure. At the time of the publication of this agenda, there were none.

**7 Strategy**

**7(i) Colchester Strategic Plan 2023-26 – A City Fit For the Future 19 - 90**

Cabinet will consider a report proposing a new Strategic Plan for Colchester for the period 2023-26. The Strategic Plan sets the priorities for the City and the Council for the next three years.

**8 Resources**

**8(i) Budget 2023-24 and Medium Term Financial Forecast 2023-24 to 2027-28 91 - 222**

Cabinet will consider a report recommending the 2023/24 budget and Medium Term Financial Forecast 2023/24 to 2027/28.

## 9 **Strategy (continued)**

### 9(i) **LGA Peer Challenge Report and Action Plan** 223 - 260

Cabinet will consider a report proposing an action plan to respond to the key recommendations from the LGA Peer Challenge for consideration by Cabinet.

### 9(ii) **Half Year April - September 2022 Performance Report, KPIs and Other Performance News** 261 - 286

Cabinet will consider a report providing details of performance against Key Performance Indicators (KPI's) at half year for 2022 - 2023. The report also includes other performance news.

### 9(iii) **Half Year April - September 2022 Performance Report 2020 - 2023 Strategic Plan Action Plan** 287 - 304

Cabinet will consider a report providing details of progress in delivering against the Council's Strategic Plan for 2020-2023 at half year of 2022-2023.

### 9(iv) **Have Your Say on the Future of Colchester** 305 - 310

Cabinet will consider a recommendation made by the Policy Panel at its meeting on 30 November 2022 in respect of the consultation on the future of Colchester.

## 10 **Resources (continued)**

### 10(i) **Local Council Tax Support Scheme** 311 - 460

Cabinet will consider a report providing details of the proposed Local Council Tax Support Scheme 2023-24.

### 10(ii) **Report of Urgent Decision taken under Rule 22 of the Cabinet Procedure Rules – Revised Pay Award 2022-23** 461 - 468

An urgent decision in respect of the revised pay award 2022/23 taken in accordance with Cabinet Procedure Rule 22 is reported to Cabinet.

<b>11</b>	<b>Local Economy and Transformation</b>	
<b>11(i)</b>	<b>Colchester's New Economic Strategy 2022-25</b>	<b>469 - 510</b>
	Cabinet will consider a report inviting it to agree a new Economic Strategy for Colchester for the period 2022-25 and to refer the Strategy to Council for inclusion in the Policy Framework.	
<b>11(ii)</b>	<b>Colchester Commercial Holdings Limited Annual Report for 2021/2022</b>	<b>511 - 518</b>
	Cabinet will consider a recommendation made by the Governance and Audit Committee at its meeting on 22 November 2022.	
<b>12</b>	<b>Housing and Communities</b>	
<b>12(i)</b>	<b>Housing Revenue Account Estimates 2023-24</b>	<b>519 - 546</b>
	Cabinet will consider a report setting out the Housing Revenue Account budget for 2023/24, including proposals for changes to tenants rents for the coming financial year, and the management fee payable to Colchester Borough Homes.	
<b>12(ii)</b>	<b>Housing Investment Programme 2023-24</b>	<b>547 - 554</b>
	Cabinet will consider a report setting out a summary of the proposed allocation of £28.782m of new resources to the Housing Investment Programme for 2023/24, along with the sources of funding. It also includes an indication of the potential expenditure requirements and funding sources for the years 2024/25 to 2027/28.	
<b>12(iiii)</b>	<b>Homes England Compliance Audit Report - Social Housing Development</b>	<b>555 - 562</b>
	Cabinet will consider a report inviting it to note a report of a review by Homes England's internal auditors and the National Audit Office on the social housing development at Hardings Close.	
<b>13</b>	<b>Neighbourhood Services and Waste</b>	
<b>13(i)</b>	<b>Waste and Recycling Services in Highwoods</b>	<b>563 - 564</b>
	Cabinet will consider and determine a motion on waste and recycling services in Highwoods, which was submitted to the meeting of Full Council on 1 December 2022.	

14      **General**

- 14(i)      **Progress of Responses to the Public**      565 -  
566
- Cabinet will consider a report setting out how members of the public who address meetings of Cabinet and Full Council under the Have Your Say! arrangements have been responded to.

- 15      **Exclusion of the Public (Cabinet)**
- In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

**Part B**  
**(not open to the public including the press)**

<p style="text-align: center;"><b>CABINET</b> <b>16 November 2022</b></p>
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*Present:* - Councillor King (Chair)  
Councillors Cory, Fox, Goss, Luxford Vaughan, J. Young

Also in attendance: Councillor Smith

#### **700. Minutes**

*RESOLVED* that the minutes of the meetings held on 12 October 2022 be confirmed as a correct record.

**Councillor Cory, (in respect of his appointment as the Chair of the North East Essex Health and Well Being Alliance) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

#### **701. Have Your Say!**

Sir Bob Russell addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). The Council was facing the most severe financial crisis he had known, due to financial mismanagement by central government and international economic conditions. Dealing with this was a great challenge and symbolism in dealing with this crisis was important. In this context how could the Council justify the expenditure of £13,000 on 4 planters and trees on North Station Road? All Councillors should be involved in facing the financial challenges. Concern was also expressed that Greater Anglia were refusing to change the name of Colchester Town station to Colchester City based on cost. Cabinet should make representations to Greater Anglia and its parent company to encourage them to make this change. Concern was expressed about the exclusive use of online tools for consultation processes which excluded groups without internet access or digital skills.

In response, Councillor King, Leader of the Council and Portfolio Holder for Strategy, acknowledged the scale of the financial challenges facing the Council and the need to look after public finances prudently. He would look at the issue raised, which was part of a wider initiative to improve the approaches to the town centre. An open and collegiate approach was being taken to addressing the financial challenge, involving all political groups and consulting an alumni group of previous leaders. He would press Greater Anglia on the renaming of Colchester Town Station.

Cabinet members stressed the importance of using online methods of consultation which were more cost effective and allowed easier interpretation of the information collected.

Steve Kelly addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to stress the importance of issues relating to a lack of vitamin B and to highlight the need for continued monitoring of vitamin B levels. This was particularly important for those with dark skin and ethnic minorities. The Council could address this by offering subsidised vitamin B to vulnerable groups. This would lead to savings in the longer term.

Councillor J. Young, Portfolio Holder for Housing and Communities, highlighted the strong partnerships with health partners and the appointment of Laura Taylor-Green as the director of the North East Essex Health and Well Being Alliance who would help identify and address health related issues. The needs of the most vulnerable had also been prioritised in the Council's response to the cost of living crisis and the Council and its partners were committed to ensuring that the most vulnerable received sufficient nutrition.

Councillor Cory as Chair of the North East Essex Health and Well Being Alliance, explained that the Alliance was a collection of organisations with an interest in the health of the local community. Its aim was improving health and well being outcomes in Colchester and Tendring. He understood the seriousness of this issue and would raise it with colleagues in the Alliance.

## **702. New Senior Management Team Arrangements and Structure**

Pam Donnelly, the Chief Executive submitted a report a copy of which had been circulated to each Member. She introduced the report and explained that this was the first phase of the resetting of the Council's senior team. It would be followed by a reorganisation of the group management structure to ensure they worked in the most efficient and effective way. It would result in a significant saving of £200,000.

Further to Appendix B of the report, the appointments to the Senior Board were now complete with Richard Block being appointed as Chief Operating Officer, and Lucie Breadman, Rory Doyle and Mandy Jones also being appointed as Directors. This demonstrated the reservoir of talent within the Council. Their respective responsibilities would be identified shortly. It would result in a flatter, less hierarchical and more responsive management structure.

It was also confirmed that Paul Smith, Managing Director of Colchester Commercial Holdings Ltd and its subsidiary companies, had decided to take retirement. The Chief Executive expressed her thanks for his valuable contribution. The risks associated with his retirement were understood. Following the recommendation of the Peer Review, an external review of the companies would be undertaken, and it was anticipated that they had a bright future.

Cabinet indicated that it welcomed and endorsed the proposals. They demonstrated the reservoirs of talent and the work ethic within the Council. Cabinet also expressed its thanks to Paul Smith for his work as the Managing Director of the Amphora companies.

**RESOLVED** that:-

- (a) Cabinet endorses the new senior management arrangements and structure as set

out in the Chief Executive's report and notes that it will come into effect on 1 December 2022.

(b) The revised Scheme of Delegation to Officers (which will come into effect on 1 December 2022) as detailed in Appendix C to the Chief Executive's report be approved.

(c) The Monitoring Officer be authorised to make all consequential changes to the Constitution required by these new arrangements.

## *REASONS*

To ensure appropriate senior leadership arrangements are in place for the organisation and to release £200K of savings.

## *ALTERNATIVE OPTIONS*

To not endorse the new arrangements.

**Councillor Cory, (in respect of his appointment as the Chair of the North East Essex Health and Well Being Alliance) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

### **703. Sale of Land at Northern Gateway, Colchester**

The Executive Director Place submitted a report a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, introduced the report. This was a vacant site with outline planning permission for a healthcare campus. The sale of the site would generate a significant capital receipt for the Council which would support development at Northern Gateway. NHS partners had been involved in the discussions planning the healthcare provision on the site and North East Essex Health and Well Being Alliance had expressed its support and its intention to work with the provider. It was developing a Workforce Strategy with the provider to ensure there would not be an impact on the NHS workforce.

## *RESOLVED* that:-

(a) The disposal of the healthcare site at Northern Gateway on the terms set out in the Executive Director's report in Part A and Part B of the agenda be agreed.

(b) The offers received as set out in Appendix B of Executive Director's report in Part B of the agenda be noted and the disposal to an alternative bidder, if the preferred developer does not perform, be agreed.

(c) Authority be delegated to the Executive Director Place, in consultation with the Portfolio Holder for Resources, to negotiate terms, conclude the legal documents or any relevant consequential matters to complete the disposal.

## *REASONS*

The site is a key part of the Northern Gateway masterplan and has a resolution to grant outline planning consent for a healthcare development. Along with the new mixed leisure scheme and the new sports hub, this will help establish and complete the Northern Gateway masterplan.

The site has been fully marketed by external agents and several offers were received for the land.

The final development will retain skilled staff in the Borough and create circa 500 jobs to include full time, part time and apprenticeships.

The mix of health, care and older people's homes proposed for the site will help to meet any gaps in provision across the Borough.

## *ALTERNATIVE OPTIONS*

Do nothing. This is not a viable option given the Council's vacant property strategy, the Northern Gateway masterplan and vacant property costs.

The Council could redevelop the site itself. This has been reviewed but this is a specialist healthcare site and this would not be practical or cost effective.

Other disposal options have been considered but these are covered in the Executive Director's report on Part B of the agenda as there is market sensitivity to this information.

## **704. Fees and Charges 2023-24**

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, introduced the report and explained that the pressures of inflation, economic stagnation and the long term effects of Covid had had a significant impact on the Council's income. Therefore, it was important to look closely at fees and charges in order to help fund and support Council services. Inflation of energy costs had a particular impact on some Council services, particularly Sport and Leisure and Bereavement Services. It was therefore necessary to increase some fees and charges in order to continue to provide good quality services. The Council would continue to support the most vulnerable residents.

In discussion, Cabinet endorsed the proposals and stressed that most increases were below current rates of inflation.

*RESOLVED* that the fees and charges for 2023/24 as set out in the Appendix to the Assistant Director's report be approved.



## *REASONS*

To respond to the significant budget gap created by the coronavirus pandemic and the associated recession and cost of living crisis, and the impact of these on Council income

To make reasonable increases in fees and charges that help fund and support Council services.

## *ALTERNATIVE OPTIONS*

Not to update fees and charges. This would reduce the funding available for Council services and necessitate additional savings or service reductions.

### **705. Recommendations from the Governance and Audit Committee in respect of the Capital Programme**

Cabinet considered the recommendations from the Governance and Audit Committee contained in minute 327 of the meeting of 6 September 2022 and minute 333 of the meeting of 18 October 2022, copies of which had been circulated to each Member.

Councillor Smith, Chair of the Governance and Audit Committee, attended and with the consent of the Chair addressed Cabinet in support of the recommendations. Inflation and increased borrowing costs had a significant impact on the capital programme, and some projects may no longer be viable. The programme needed to be reviewed in the light of new circumstances. To ensure the Council was doing its best for residents a full review of the programme to establish what was still affordable was necessary.

Cabinet members expressed its thanks to Councillor Smith and the Governance and Audit Committee for their work on the capital programme and for the recommendations. These were supported and the Cabinet was committed to a review. It was keen to involve members of the Governance and Audit Committee in the review, given their expertise and skills. It was also important to look at Treasury Management robustly and to focus on how the Council's assets were used.

*RESOLVED* that the viability of every scheme on the Capital Programme be carefully reviewed to determine whether or not it should proceed, or be deferred, in the light of:

- significant increases in borrowing costs,
- significant long standing rates of inflation, and
- the difficulties which were being experienced in obtaining both materials and the skilled workforce necessary to deliver projects,

to ensure that a Capital Programme is delivered which meets the needs of the people of Colchester.

## *REASONS*

It was necessary to review the capital programme given the changing economic circumstances, particularly the rise in inflation and in the costs of borrowing.

## *ALTERNATIVE OPTIONS*

It was open to Cabinet not to agree the recommendations from the Governance and Audit Committee or to agree them subject to amendments.

### **706. Officer Pay Policy Statement 2023/24**

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, introduced the report. All local authorities were required to publish an officer pay policy statement on an annual basis. It set out all pay and benefits for every employee of the Council.

Cabinet members drew particular attention to the Council's commitment to the Living Wage. A significant number of staff and contractors were paid the Living Wage, which was set independently by the Living Wage Foundation and was calculated according to the basic cost of living. It was important that the Council continued to show leadership on this issue and continued to promote Colchester as a Living Wage city.

*RECOMMENDED TO COUNCIL* that the Officer Pay Policy Statement 2023/24 be approved and adopted.

## *REASONS*

The Localism Act requires "authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority's pay policy statement must be approved by a resolution of that authority before it comes into force

## *ALTERNATIVE OPTIONS*

The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.

### **707. Request to Delegate Authority for the Award of the Contracts for the Phase 3 Garage Sites of the New Council Housebuilding programme**

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

Councillor J. Young, Portfolio Holder for Housing and Communities, introduced the report which sought delegated approval to award contracts for phase 3 garage sites. These were an important part of the Council's new housebuilding programme and would result in the delivery of 23 affordable homes. The delegation of authority would allow the projects to progress as soon as possible.

In discussion, Cabinet supported the proposals which supported a key Strategic Plan priority. It was noted that ward councillors had some concerns about the Hedge Drive scheme, which would be looked at. The new housing on these sites would be delivered to

Future 2025 standards and would therefore be sustainable and energy efficient.

*RESOLVED* that:-

- (a) Authority be delegated to the Portfolio Holder for Housing and Communities to award the contracts for the construction of new affordable homes as agreed within the “Phase 3 Garage Sites” developments.
- (b) Authority be delegated to the Assistant Director for Place and Client Services, in consultation with the Portfolio Holder for Housing and Communities, to conclude any subsequent related details related to the legal, financial or other matters of these contracts including handover of the completed properties to the Council.

### *REASONS*

The Council has committed to deliver 350 new affordable homes over 5 years between 2019 and 2024. These contracts deliver part of that commitment and have been progressed with budgets and other agreements previously made to deliver the new homes. The first contract, for Cross Cottages, is in the tender evaluation process and will need to be awarded in December 2022, when there is no Cabinet meeting. Delegated authority to award the contract is therefore given to allow the works to commence in a timely manner, in line with milestones and project delivery objectives previously agreed by the Council and aligning with the usual seasonal weather.

The design and specification of each of the sites has met the required planning regulations and planning approval has been granted. They have then undergone detailed technical design phases prior to procurement. The contracts deliver much needed affordable homes to an agreed budget that is sustainable within the Housing Revenue Account.

### *ALTERNATIVE OPTIONS*

Not to award any contracts to build new affordable homes; but this would cease the projects and be entirely inconsistent with the strategic priorities of the Council.

Not to delegate the powers requested; but this would then need contracts to be individually reported to Cabinet for each contract award, increasing the time and resourcing required, for a procurement process that is already heavily scrutinised and regulated. This would delay the awarding of contracts and in turn delay the delivery of affordable homes

### **708. Nomination for Deputy Mayor 2023-24**

Consideration was given to the nomination for the appointment of the Deputy Mayor of the Borough of Colchester for the 2023-24 municipal year.

Councillor Goss nominated Councillor Scott-Boutell for appointment as the Deputy Mayor of the Borough of Colchester for the 2023-24 municipal year. Councillor Scott-Boutell had been elected to Council in 2002 and was next in line for appointment as Deputy Mayor. Residents of Stanway would be delighted that Stanway would be honoured in this way.

Councillor Fox indicated that the Labour Group supported the nomination. Councillor Scott-Boutell did a fantastic job representing the residents of Stanway and as Deputy Mayor and then Mayor would stand up for all of Colchester.

*RECOMMENDED TO COUNCIL* that Councillor Scott-Boutell be appointed as the Deputy Mayor of the Borough of Colchester for the 2023-24 municipal year.

## **709. Calendar of Meetings 2023-24**

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

Cabinet noted that 8 May 2023 had now been designated as Bank Holiday following the coronation of King Charles on 6 May 2023. Thanks were expressed to the Democratic Services team for the support they provided to Councillors.

*RESOLVED* that:-

- (a) The draft Calendar of Meetings for the 2023-24 municipal year be approved, subject the inclusion of 8 May 2023 as a Bank Holiday.
- (b) Authority to cancel meetings be delegated to the Chair of the relevant Committee/Panel in conjunction with the Assistant Director, Corporate and Improvement.

### **REASONS**

The Calendar of Meetings needs to be determined so that decisions for the year can be timetabled into the respective work programmes and the Forward Plan.

Advance notice of the Calendar of Meetings needs to be made available to Councillors and to external organisations, parish councils and other bodies with which the Council works in partnership, and to those members of the public who may wish to attend meetings of the Council and make representations.

Rooms will also need to be reserved as soon as possible so that room bookings can be made for private functions by private individuals, external organisations and internal Council groups.

A formal arrangement needs to be in place for the cancellation of meetings that no longer need to be held.

### **ALTERNATIVE OPTIONS**

This proposal has been largely devised based on the current meeting structure and frequency. It would be possible to devise alternative proposals using different criteria.

## **710. Progress of Responses to the Public**

The Assistant Director, Corporate and Improvement Services, submitted a progress sheet a copy of which had been circulated to each Member.

*RESOLVED* that the contents of the Progress Sheet be noted.

#### *REASONS*

The progress sheet was a mechanism by which the Cabinet could ensure that public statements and questions were responded to appropriately and promptly.

#### *ALTERNATIVE OPTIONS*

No alternative options were presented to the Cabinet.

**The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

#### **711. Sale of Land at Northern Gateway – Part B**

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

*RESOLVED* that the report be noted.

#### *REASONS*

As set out in minute 703.

The proposed capital receipt would be used to fund the Council's capital programme and avoid external borrowing. The receipt will be used in the way that delivers the best financial advantage.

#### *ALTERNATIVE OPTIONS*

As set out in minute 703.





**Cabinet**

**25 January 2023**

**Report of**      **Chief Operating Officer**

**Author**      **Richard Block**  
[Richard.block@colchester.gov.uk](mailto:Richard.block@colchester.gov.uk)

**Title**      **Colchester Strategic Plan 2023-26 – A City fit For the Future**

**Wards affected**      **All**

## 1 **Executive Summary**

- 1.1 This report concerns the draft Strategic Plan 2023-26 (attached). The Strategic Plan sets the priorities for the City and the Council for the next three years. The current Strategic Plan was published in March 2020 and runs to March 2023.
- 1.2 The Strategic Plan is one of the core statutory elements of the Council's Policy framework, as set out in Article 4 of the Council's Constitution. It must therefore be adopted by full Council.
- 1.3 The Strategic Plan sets the framework for the Council's three-year Medium Term Financial Forecast also being considered by Cabinet at this meeting. The proposed plan recognises the significant transformation of Council services that will be required to respond to future challenges and to provide services for a city fit for the future.
- 1.4 This plan recognises that it in the future it even more important that the Council works with and enables other organisations to support delivery of key priorities for the city.
- 1.5 Since the last Strategic plan was developed Colchester was granted City Status and the proposed plan recognises the opportunities this provides.
- 1.6 The recent Local Government Peer Challenge emphasised the need for a strong link between priorities and capacity to deliver. As such, once this plan is adopted by the Council as part of the Council's Policy Framework, a delivery plan for 2023/2024 based on available capacity and resources will be developed for consideration by Cabinet in March 2023.

## 2 **Recommended Decisions**

- 2.1 To agree the Strategic Plan 2023-26 and recommend to full Council that it be adopted.

### **3 Reason for the Decision**

- 3.1 To enable the Strategic Plan 2023-26 to be agreed and adopted.

### **4 Alternative Options**

- 4.1 The current Strategic Plan expires at the end of 2022-23 so a new plan is required to reflect future challenges and opportunities. This needs to be adopted by full Council as the absence of a relevant Strategic Plan would create a significant risk of the Council failing to identify and deliver on its core priorities.



## **5 Background**

- 5.1 The Council's Strategic Plan describes the organisation's view of the main priorities for the city. It covers a three-year time span, although many of the issues it addresses are long-term in nature.
- 5.2 The Strategic Plan 2023-26 sets out five strategic themes:
- Develop modern services for a modern city
  - Respond to the climate emergency
  - Tackle health, well-being and happiness
  - Deliver homes for those most in need
  - Grow our city's economy so everyone benefits
  - Celebrate our city and our heritage and culture
- 5.3 Each strategic theme includes key priorities, which address the key issues facing the City area and each priority includes key goals against which success will be measured.
- 5.4 The plan provides a springboard to maximise the opportunities and benefits of Colchester being granted city status. In the future this will also be supplemented by a long-term vision for Colchester created with others across Colchester to ensure the benefits are fully harnessed.
- 5.5 This new plan is being considered at a time of significant uncertainty and challenge and recognises the need for services to be transformed for the future through a new strategic theme to develop modern services for a modern city. This will include responding to the recent Local Government Association peer challenge including reviews of the of the Colchester Council family of companies. The plan also recognises that the City Council needs to increasingly work with others and enable them to help deliver key priorities.
- 5.6 Although other members of the Colchester Council family of companies, that is Colchester Commercial Holdings Limited, and Colchester Borough Homes have individual business plans and strategic plans these will be aligned with this strategic plan as an overarching vision for the City.

## **6 Equality, Diversity and Human Rights implications**

- 6.1 The Strategic Plan 2023-26 will continue to support the importance of equality and diversity in all aspects of life in Colchester.
- 6.2 The Equality Act requires councils to have an equality objective, and the new Plan does that throughout its themes and priorities. An Equality Impact Assessment is attaches as appendix 3.

## **7 Strategic Plan References**

- 7.1 The themes and priorities of the Strategic Plan 2023-26 will be reflected in officer reports to councillors following its adoption by full Council.

## **8 Consultation**

- 8.1 The key priorities identified in the plan arise from a range of information sources including various assessments available such as [Census data](#), [ONS data sources](#), [Essex Open Data](#), [Public Health Profiles](#), [indices of deprivation](#), [Colchester Joint Strategic Needs Assessment \(JSNA\) profile 2019](#) as well as on results of public consultation. Consultation to inform the proposed strategic plan has included a public survey run during Autumn 2022. This resulted in 1113 responses. This was supplemented by several resident focus groups. A report of the responses is shown at appendix 2.
- 8.2 The proposed plan responds to the broad themes identified in the consultation. The results of the consultation will also be used to inform the delivery plan that will be considered by Cabinet in March 2023.
- 8.4 Key themes from the consultation were:
- Most respondents agreed that they enjoy living/working in Colchester, but fewer respondents agreed that they felt a sense of community in the area of Colchester. 'Creating Safe, Healthy and Active Communities' was also the 1st or 2nd priority for 60% of respondents suggesting this is a valid area the plan should focus on.
  - Improving and regenerating the town centre was mentioned by respondents throughout the consultation also suggesting this is an area of focus for the strategic plan. When asked about Colchester becoming a city, the regeneration of the city centre received the highest number of comments at 22%. Next, was culture/heritage and tourism at 21%.
  - The desire to have pride in the place which they lived was mentioned throughout the survey, however currently this appears to be lacking for some, with residents emphasising the need for a strong future vision for the city.
  - Climate and environment were also important to many respondents although this needs to be balanced with some of the difficulties for some in utilising sustainable methods of transport

## **9 Publicity Considerations**

- 9.1 The Strategic Plan is a key element of the Council's continued external engagement activity. The Council will continue to ensure promotion of strategic activity via new and existing communications channels including direct, in person, in the media, on social media platforms and on its website.
- 9.2 The Council will communicate at key milestones of strategic projects to promote a strong positive reputation for the City, with half-year updates on the website.

## **10 Financial implications**

- 10.1 The Strategic Plan sets the framework for the Council's three-year Medium Term Financial Forecast. This is a period of significant financial challenge and

uncertainty, and the plan strikes a balance between ambition for the city with the reality of these financial circumstances.

- 10.2 The financial implications of delivering the Strategic Plan priorities will be incorporated into the annual budgeting process.

## **11 Health, Wellbeing and Community Safety Implications**

- 11.1 Health, wellbeing and community safety remains a key component in this Strategic Plan. This is clearly identified in the “Tackle Health, Wellbeing and Happiness” strategic aim, and the priority to “improve community safety”.

## **12 Health and Safety Implications**

- 12.1 There are no Health and Safety implications from the Strategic Plan.

## **13 Risk Management Implications**

- 13.1 When the delivery plan to deliver the Strategic Plan 2023-26 is developed, risks will be identified and addressed.
- 13.2 The absence of a Strategic Plan, or the retention of a Strategic Plan that is no longer fit for purpose, would create risks for the Council failing to deliver on its core priorities and use of resources.
- 13.3 The introduction of a new strategic plan, one year early, is a direct response to some of the key risks in the Strategic Risk Register, such as potential impacts on spending power and partnership delivery, and it will ensure that the whole organisation is focused a clearly understood, single set of priorities.

## **14 Environmental and Sustainability Implications**

- 14.1 The Council has declared a Climate Emergency and has committed to being carbon neutral by 2030. This plan will continue to deliver against this commitment as a golden thread throughout the plan as well as through the specific theme to respond to the climate emergency.

## **Appendices**

Appendix 1: The draft Strategic Plan 2023-26.

Appendix 2: Summary of consultation responses

Appendix 3: Equality Impact Assessment

## **Background Papers**



**Colchester City Council Strategic Plan 2023 to 2026**

The City of Colchester deserves the very best this Council can do and deliver. In high quality services, in ambition and vision and for the value we can add, in our own right, and by working with others. With Essex County Council, and Government, at every level and with partners, including the University of Essex, the NHS, and our invaluable voluntary sector.

Together we must respond to the challenges of our times, alive to what matters most to the people of Colchester. From our environment, and quality of life, to the vibrancy of our city centre. Valuing as we do the rich and distinctive qualities of rural and city life, our many communities and identities and our culture and heritage.

Our new Strategic Plan continues to provide an overarching framework, sense of direction and the key outcomes we will address, deliver or influence in the coming years. To be supported by a more detailed Delivery Plan, updated as need, to ensure resources match ambitions and enable promises made are kept.

Central to all we do will be the discipline and professionalism we can apply, with our partners. To ensure in the most challenging times for our country, as well as our city, that our finances are managed well, that we do all we can with and through others. That our sense of optimism, and ambition show in all we do, to make life better. As Councillors, officers and full Council, for all those that live, and work or visit the great City of Colchester.

## Colchester City Council's Strategic Plan 2023-26

Our Strategic Objectives and Priorities will govern and shape what we do. And the Outcomes we seek to achieve, mindful of the challenges we face and foresee. Our Plan providing a framework, direction and heading, for an ambitious Council that will respond the needs of the people of the City of Colchester, as changing circumstances require.

Strategic Objectives	Priorities	Outcomes
Respond to the climate emergency	<p>Reduce our carbon footprint.</p> <p>Conserve and enhance our biodiversity.</p> <p>Continuing to be a leader in waste and recycling collections</p>	<p>The Council continues to proceed at best pace towards net zero aspirations by 2030.</p> <p>The Woodland and Biodiversity Plan is renewed annually with targets to improve biodiversity across all areas. With Cymbeline Meadows a publicly accessible nature reserve.</p> <p>Waste and recycling services are reviewed, and collection arrangements simplified and revised, to support the government recycling collection targets of 70%.</p>
Deliver Modern Services for a Modern City	<p>The Colchester Council family of organisations work together to a shared and ambitious vision for the future of our city.</p> <p>The Council transforms services and moves to a community centred approach, where it enables, helps, and supports local communities as they help prioritise, shape and deliver local services.</p> <p>Our partnering approach maximises our influence and adds value through and with others, such as One Colchester, Essex County Council, the NHS, the Business Improvement District</p>	<p>The Local Government Association Peer Challenge recommendations of 2022 are delivered in full by end 2023.</p> <p>The future roles of the Council family of organisations including CCHL are refined to enable their delivery of improved services and profit for CCC that will support the delivery of essential services to our residents.</p> <p>Colchester Borough Homes is an efficient and respected quality provider of housing services.</p> <p>Assets are reviewed enabling greater use, and or transfer to community partners, rationalisation and or sale. Or use in support of city centre renewal.</p> <p>Colchester City Council closes the budget gap each year through the MTFF. And with CCHL and CBH, is able to fund capital and asset renewal and investment over the medium term.</p>

	and the Town Deal Board, the Garrison, and the University of Essex.	A new post transformation model of Council, partner, and community services delivers on our ambitions, cost effectively and with the support of the communities we serve.
Improve health, well-being, and happiness	<p>Tackle the causes of inequality and support our most vulnerable people</p> <p>Work with residents and partners to address quality of life and issues of happiness</p>	<p>Work with NHS and other partners on prevention, community engagement and awareness, helps us improve the life expectations and outcomes of our residents. and to support and help those most in need.</p> <p>We reduce the challenges of the cost-of-living crisis for our residents.</p> <p>With our residents we improve their sense of wellbeing.</p>
Deliver homes for those most in need	<p>Increase the number and quality and types of homes. Meet our duty to prevent or assist those facing homelessness</p> <p>Seek 30% affordable housing across all our own housing sites.</p>	<p>More Council homes have kept them in good repair and improving energy efficiency.</p> <p>More developers apply beautiful and sustainable design to all house builders across the city.</p> <p>We increase the number of affordable homes (seeking 30% where we build).</p>
Grow our economy so everyone benefits	Work with partners to deliver a shared vision for a vibrant city and attract inward investment	<p>A longer-term vision and plan are created with the aid of Ambassadors and partners that will maximise the economic and social benefits of city status to all including young people</p> <p>Garden Community development that ensures Colchester gains maximum benefits.</p> <p>The Town Deal is delivered with partners, with city wide economic and social benefits.</p> <p>Economic advice and support to local businesses and key partners is available that attracts inward investment for social and economic benefit, exploiting city status with our partners.</p>
Celebrate our city, and our heritage and culture	<p>Strengthen Colchester's tourism sector and welcome more visitors each year</p> <p>To make our city a yet better place in which to live and work and visit.</p>	<p>The delivery with partners of the 2023 year of city status commemoration and celebration.</p> <p>With Essex County Council, we build on master planning, and take the next steps towards a transformed attractive and more accessible city centre, that makes the most of our public spaces, heritage and cultural assets.</p> <p>A step change in marketing Colchester as a destination</p>

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# The Future of Colchester – A Consultation with Residents and Stakeholders

JANUARY 2023



Survey and discussion groups commissioned by the leader of the council, Councillor David King and Chief Operating Officer, Richard Block to shape the 2023 Strategic Plan.

**Libby Britcher and Tricia Smith**  
Research Officers

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## Introduction

This consultation was commissioned in September 2022 to engage residents, councillors, and other local stakeholders (local business owners and workers), to hear their views on the future of Colchester and how the Council should address the key challenges facing the borough which will be outlined in the councils Strategic Priorities for 2023-2026. The Strategic Plan sets out how Colchester City Council will play a part in making Colchester a place where people want to live, learn, work and visit.

## Method

We engaged with residents, councillors, and other local stakeholders through two online surveys, consisting of both quantitative and qualitative questions:

- One for residents and other stakeholders (online), which was live from 5 October – 31 November.
- One for members, city and parish/town councillors (online), which was live from 12 October – 12 December.

We also undertook face-to-face, interactive discussion groups which were led by the content of the survey results and new emerging themes or areas of interest to the current cabinet.

The survey used opportunistic, convenience sampling and was promoted through various channels:

- Press release: 10 October
- Article in internal comms weekly update email: 6 and 28 October
- Toolkit for Members, Parish Council's and One Colchester Partners: issued 7 October
- Web banner on CCC homepage: w/c 10 and 17 October
- Borough News e-newsletter article: 14 October and 11 November issues
- Social media: multiple dates, including 21 October, 28 October, 31 October
- Facebook boost, £50: 31 October

## Sample

1113 responses were received from the residents' survey. Despite being a convenience sample, we still achieved fairly good representation across different demographic groups. For a detailed breakdown by ward, age, gender, ethnicity, and disability see "[Achieved Sample of residents](#)".

There were 22 responses from members and councillors. This survey was extended for one week (5-12 Dec) to gather parish/town councillor responses which generated an additional 16 responses. There were 38 responses in total for the members survey when this closed 9am 12 December.

All those who responded to the residents' survey were invited to take part in some further face to face discussions. 230 showed interest in attending these. A further 123 said they would have been interested if they were to be virtual/online. We invited all those that stated an interest to our face-to-face discussion groups on 15 and 22 November. Of those that expressed an interest, 36 said they would attend. On the two days, a total of 29 attended (16 attendees on 15 November and 13 on 22 of November).

## Headliners

- The majority (67%) of respondents agreed/strongly agreed that they enjoy living/working in Colchester (47% agreed, 19.5% strongly agreed)
- 42% of respondents agreed that they felt a sense of community in Colchester (35.2% agreed, 7.1% strongly agreed)
- Just over half agreed that they would recommend other people to live or work in Colchester (39% agreed, 11.9% strongly agreed)
- In open text box for priorities, two new themes were mentioned: The City Centre and Infrastructure
- 'Creating Safe, Healthy and Active Communities' was the 1st or 2nd priority for 60% of respondents.
- 85% of respondents ranked 'Environment' either first or second (out of 9) in order of importance to them in terms of budget spend.
- 36% ranked 'Parks and Open Spaces' first or second in order of importance.
- 71% ranked 'Corporate Services' 8th or 9th (out of 9).

Throughout this consultation, in open-text survey responses and discussion groups, some new themes emerged and stand-out areas of concern for residents included:

- **City centre regeneration** - Lack of shops, having a 'dirty' appearance, parking and general appearance. (The city centre was discussed by 27% of respondents, when people spoke about the town centre they were referring to the historic centre of Colchester).
- The centre was also mentioned when asked about the opportunities brought by city status.
- **Infrastructure** (including roads) was mentioned by 21.8% of respondents. E.g. How the current infrastructure can't cope with the development of Colchester (and doesn't keep up).
- Other themes mentioned throughout the qualitative responses related to the current strategic priorities and it was clear these were still important to residents. For example; 14.1% mentioned culture/leisure/history and tourism (including retail). During the discussion groups it became clear that residents want Colchester to make more of its history and to have its own identity.
- Other themes also echoed the current strategic priorities and included: Safe, healthy, active communities, climate/environment, housing/development, and employment/economy/education.

## Recommendations

- **Colchester City Centre/high street to be included as a priority in the Strategic Plan.** The City Centre and High Street were highlighted a number of times within the survey responses and discussion groups as a priority for a number of residents. This included regeneration and a 'clean up' of the area. The areas were described as 'dirty' and 'grubby' however this wasn't always related to their cleanliness but how they appeared to be old/broken and outdated.
- **An Identity of its Own:** When residents discussed Colchester in the focus groups they generally spoke about Colchester as being unique and that this should be celebrated, comments in the survey and discussion groups indicated that we could learn from other city's that do it well.
- **Holistic Consultation Process** – there are many meetings, strategies, projects, and consultations continually taking place at Colchester City Council. These could work well if there was more of a holistic approach, and they were more joined up/strategic approach. Is there scope for a staff member to have an oversight of all projects?

- **Consult with Knowledge** consultations should be undertaken with awareness and understanding of local issues and internal plan.
- **Talk and Listen to Residents More** – Whether this is via more consultations or general groups. Residents feel like they are not listened to (there were many comments especially in the survey) where respondents said they weren't going to leave a response as they 'wouldn't be listened to anyway' so 'what's the point'.
- **Increased Communication** (including but not limited to);
  - What Colchester City Council is responsible for
  - What Essex County Council is responsible for (mainly in relation to roads)
  - Ensure staff understand what is in their remit (and if not in their remit, are able to triage appropriately. Residents mentioned 'giving up' when sent from one place to another when staff or organisations do not understand where responsibility lies.)
  - Use the right method of communication (Facebook mentioned as not always the best)
  - Youth (Youth councils mentioned)
  - Ensure full cycle of communication is adopted (e.g. ensure that responses to this piece of engagement is communicated)
  - Ensure staff are educated and understand where responsibilities lie
  - Recognition of how much weight resident opinion has

## Detailed findings

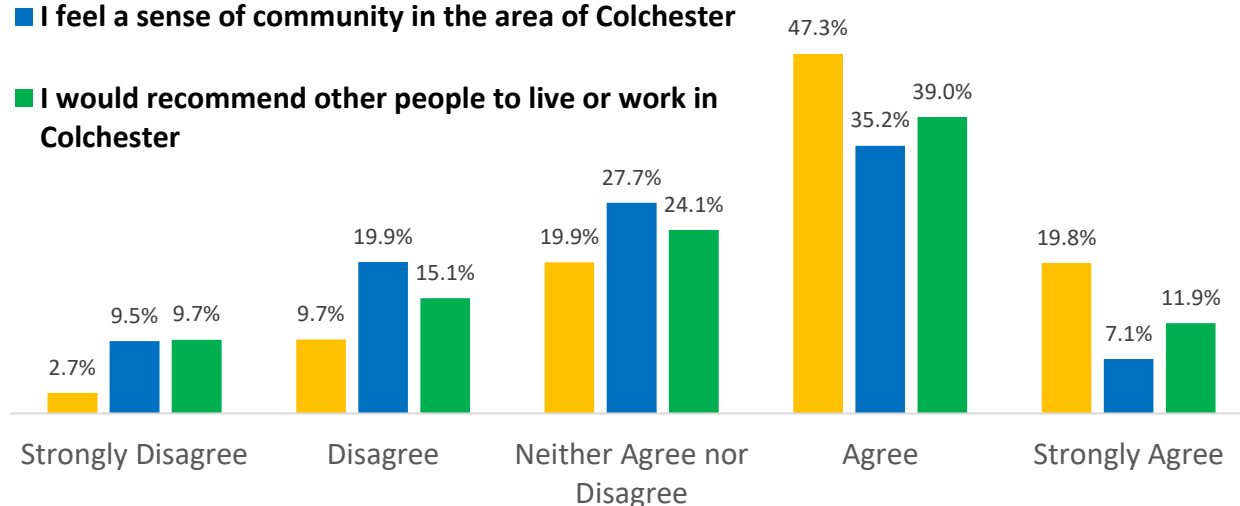
### Living and working in Colchester: Residents sense of community

- The majority (67%) of respondents agreed/strongly agreed that they enjoy living/working in Colchester (47.3% agreed, 19.8% strongly agreed)
- 42% of respondents agreed that they felt a sense of community in the area of Colchester (35.2% agreed, 7.1% strongly agreed)
- Just over half agreed that they would recommend other people to live or work in Colchester (39% agreed, 11.9% strongly agreed)

#### ■ I enjoy living/working in Colchester

#### ■ I feel a sense of community in the area of Colchester

#### ■ I would recommend other people to live or work in Colchester



See Appendix 1,2 and 3 for a full breakdown by age, gender, disability, ethnicity and ward profile.

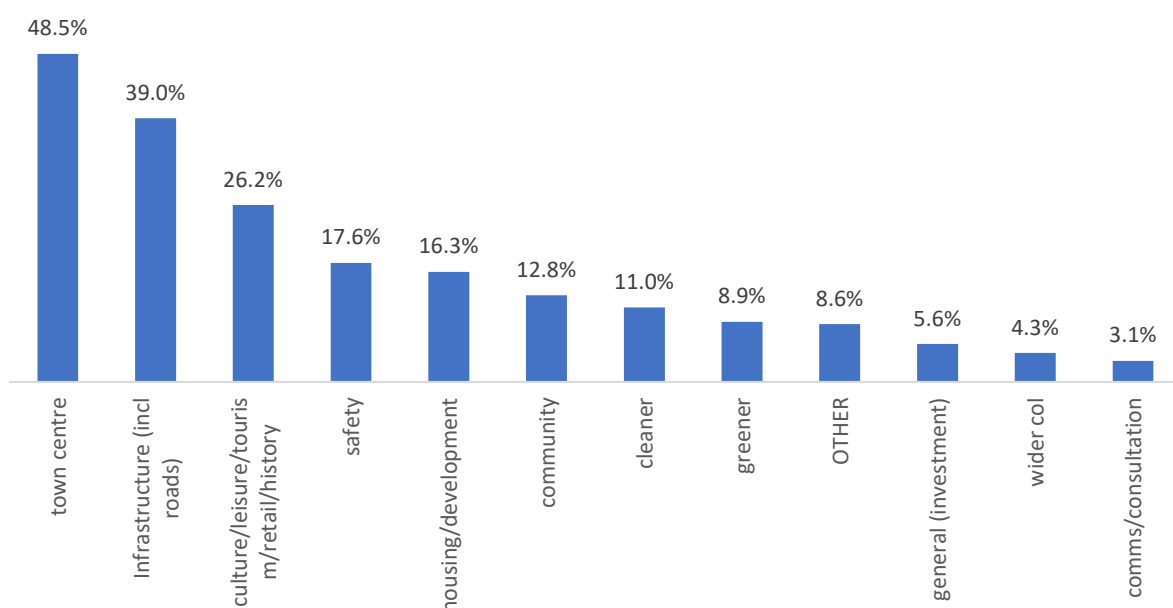
If respondents **didn't** agree with one of the three above statements, they were asked;  
**"What changes in Colchester would you like to see?"**

*All comments were sorted into themes, many comments fell into multiple themes. 55% (n=608) of respondents left a comment. (Detail regarding theme content and examples on next page).*

• <b>Infrastructure (Including Roads)</b>	237	<b>39.0%</b>
• <b>Communication and Consultation</b>	19	<b>3.1%</b>
• <b>Housing/Development</b>	99	<b>16.3%</b>
• <b>Cleaner</b>	67	<b>11.0%</b>
• <b>Greener</b>	54	<b>8.9%</b>
• <b>Culture/Leisure/Tourism/Retail/History</b>	159	<b>26.2%</b>

• <b>Town Centre</b>	295	<b>48.5%</b>
• <b>Safety</b>	107	<b>17.6%</b>
• <b>General (Investment)</b>	34	<b>5.6%</b>
• <b>Community</b>	78	<b>12.8%</b>
• <b>Wider Colchester</b>	26	<b>4.3%</b>
• <b>Other</b>	52	<b>8.6%</b>

#### Changes residents would like to see



Below are a selection of random, anonymous, verbatim quotes sorted into themes for this question. Quotes are likely to also fall within multiple themes including the one it is sat under.

- **Infrastructure;** Including roads, congestion, car parks, schools and surgeries etc. usually in negative context.
  - *"The town centre needs a massive revamp (its really grim) and you need to stop building houses with no infrastructure"*
  - *"Less houses, more green areas, more things for children to do/places to go, better roads, less traffic, more gp surgeries, better town centre as it's awful!"*
  - *"A better 'city centre' that's clean! With better parking. I refuse to go into town due to the price of parking."*
  - *"Rush hour traffic issues have never been resolved, so many roads are overloaded and have never been improved in the last 70 years."*
- The need for more/better **communication and consultation** from Colchester City Council
  - *"Transparency, honesty and any works undertaken for Colchester Borough, closely monitored, but it won't be. Far too much time and money is wasted, but that will continue"*
  - *"Mote interaction with the uni and other collaborations with the groups and cultures we have."*
- **Housing and development;** often linked to infrastructure comments - usually in negative context.

- *"More infrastructure to cope with the enormous amount of new homes. Less 'coffee shops' more real shops. Repair the town centre pavements. More street cleaning."*
- *"It has become an overdeveloped monstrosity"*
- **Cleaner;** physical cleanliness and the appearance of cleanliness - including phrases like 'shabby and run down'
  - *"Ban indiscriminate scooter parking; improved riverside e.g. pop up street food stalls; clean up St Botolph Street; more street cleaning"*
  - *"More community feel, more activities, more investment in running a green, efficient, clean town"*
  - *"...Buildings look rundown, streets are dirty..."*
- **Greener;** This theme includes comments about open green spaces which have been developed, environment and climate comments and smaller scale such as want for trees in areas.
  - *"Less people, stop building, more green space and more for the environment"*
  - *"Too many coffee shops, hairdressers and barbers as well as closing shops that then get replaced and close again. I'd like to see more open space, greenery, maybe shutting off the high street and having tables and chairs out."*
- **Culture/Leisure/Tourism/Retail/History;** often mentioned together in relation to town centre (but not always)
  - *"Get the town centre working as a hub with more reasons to go there. At the moment it's extremely expensive to park to go to either pubs, coffee shops or restaurants. More local independent shops should be financially supported. Make more of what is unique about Colchester and its amazing history"*
  - *"More community and cultural festivals, more international events and a big focus on Roman history."*
- **Town Centre;** regeneration
  - *"More civic pride! City centre smartened up."*
  - *"The town centre is like a dustbin. The pavements are like an obstacle course - dodgy lifted slabs, broken glass, litter and dog mess. The High Street is a disgrace"*
  - *"I would like to see the city centre smartened and cleaned up. Decent roads and pavements are needed. Better social housing. The council property I live in is mouldy and damp suffering from subsidence, mould and damp etc etc."*
- **Safety;** General safety including; policing, anti-social behaviour (ASB), unsafe areas in Colchester and pavements
  - *"It has become a ghetto, It only used to be Greenstead that had a bad reputation, now its the whole of Colchester, thanks to the continuous overdevelopment."*
  - *"Make all the pavements safe, it is safer to walk in the roads, nowadays there is less traffic as no one wants to pay to park, only danger is from scooter users, and yes I have been hit by one on the pavement"*
  - *"The town has no shops, and the town is a very small part of what is colchester that is full of homeless, fly tipping and anti social behaviour"*
- **General (investment);** general comments regarding broad investment
  - *"Better investment in the city centre, better investment in supporting the environment and improving green areas"*

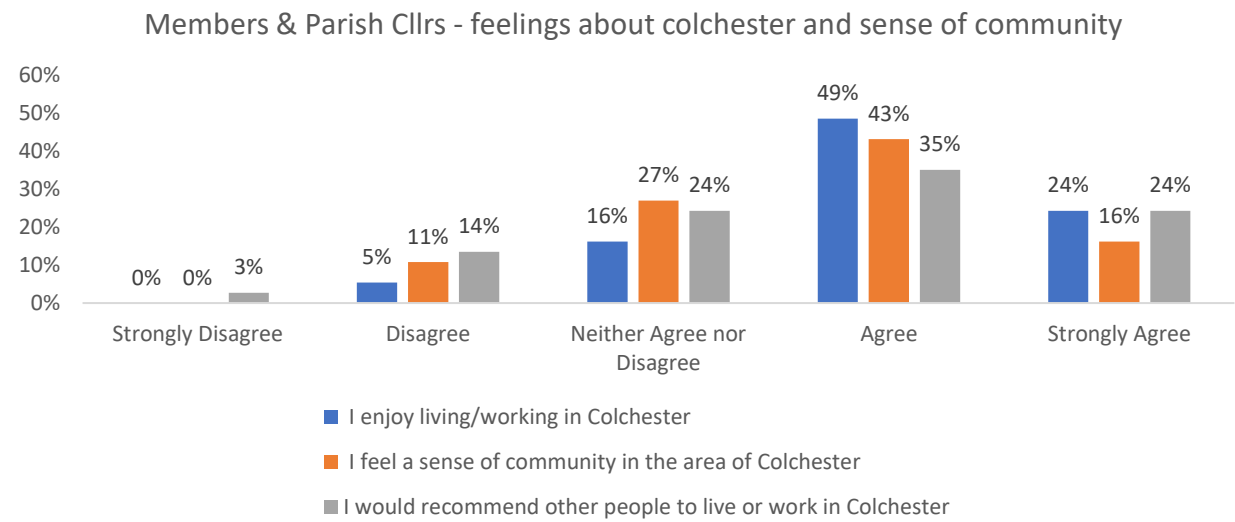


- *"More community feel, more activities, more investment in running a green, efficient, clean town"*
- **Community**
  - *"More neighbourhood community groups for residents to share ideas about their local streets/areas. One time free visit to the local castle for Colchester residents. A better door step rubbish/recycling service from weekly refuse persons. Council workers and police located in local areas of the Borough and homes/locations advertised."*
  - *"More childcare facilities, better free access services for families and children, more community events in the surrounding areas such as Stanway not just in town centre, fix the park in Westlands, better cultural and entertainment facilities"*
- **Wider Colchester** – specifically mentioning an area or outside of centre
  - *"More investment in outlying/satellite communities."*
  - *"Much more social events bringing community and villages closer"*
- **Other;** all other comments (including comment unable to group/theme as too broad or one off comment relating to specific item)
  - *"More links with the football club in the city center, e.g flags, murals, painting cable boxes with former players shirts and names. Have seen it in other towns locally and increases sense of pride in community."*
  - *"More things for young adults to do as there are many students at the colleges and university"*
  - *"More indoor facilities for kids. Kids museum or indoor playatorium"*
  - *"A council that cares for existing residents"*
  - *"More independent businesses, probable lower rents would help"*
  - *"People very unwelcoming...."*

Living and working in Colchester: Members and parish councillors - Feelings about Colchester and a sense of community

A high proportion of members also agreed/strongly agreed:

- That they enjoy living/working in Colchester (49% agreed, 24% strongly agreed)
- That they felt a sense of community in the area of Colchester (43% agreed, 16% strongly agreed)
- And almost two thirds agreed that they would recommend other people to live or work in Colchester (35% agreed, 24% strongly agreed)



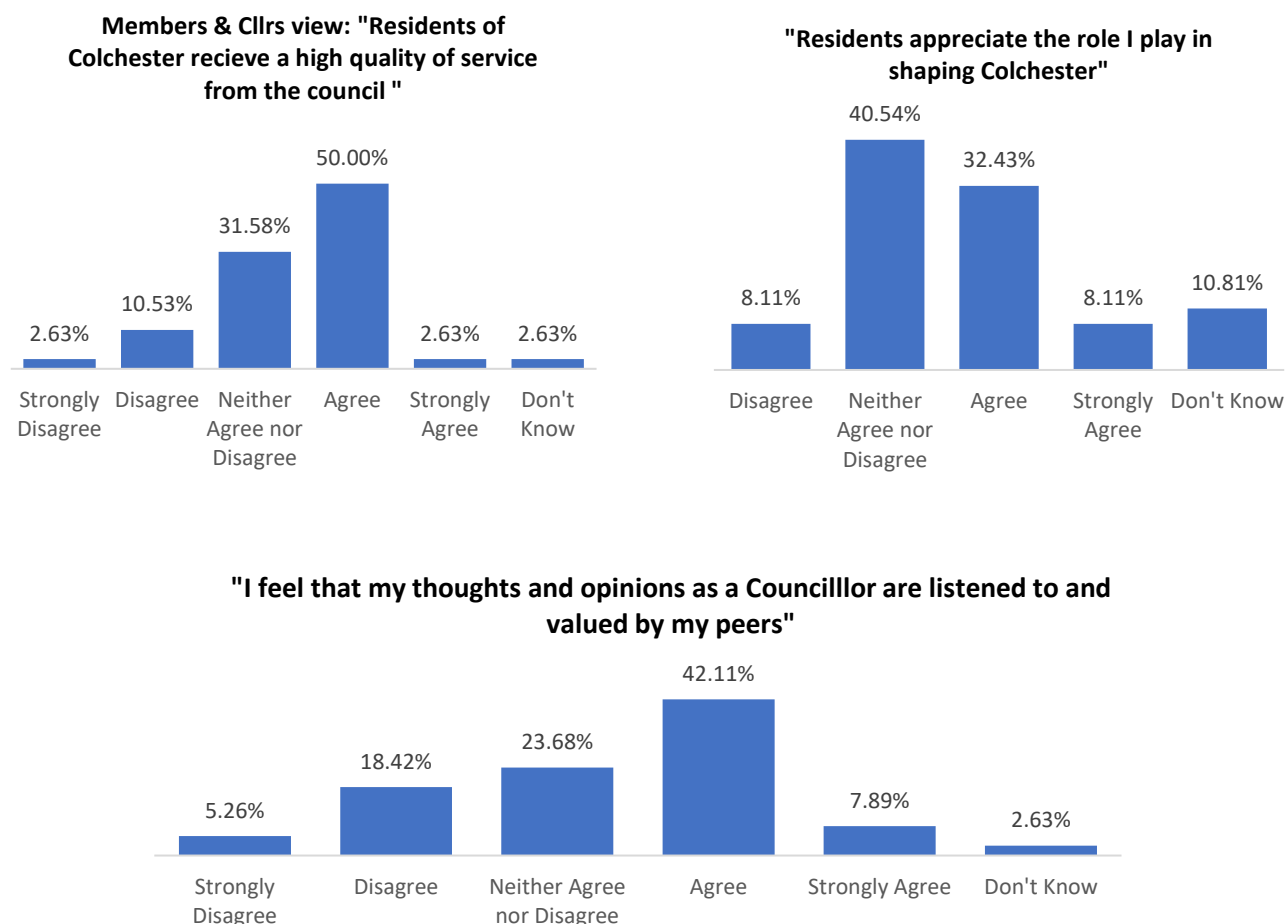
If members **didn't** agree, they were asked to tell us;  
**"What changes in Colchester would you like to see?"**

*(7 comments left, many of which mentioned multiple themes. All quotes verbatim, random, and anonymous).*

- *"Changes to its shabby down market centre and better architectural design on new builds. See Chester"*
- *"I would not usually make recommendations on where to live or work"*
- *"I live in x, which is a rural ward. It doesn't have a particular affinity with Colchester. The administration needs to think of the Borough/City as a whole rather than the city centre. Life doesn't start and end in the city!"*
- *"Colchester's Direction of Travel has been distorted, and as a result, over the last 14 years it has become a singularly unattractive place to live in"*

## The role of councillor's in representing communities

Members and Parish Councillors were also asked whether they felt residents were well served by the council and whether they felt their role as a Member or Councillor were appreciated.

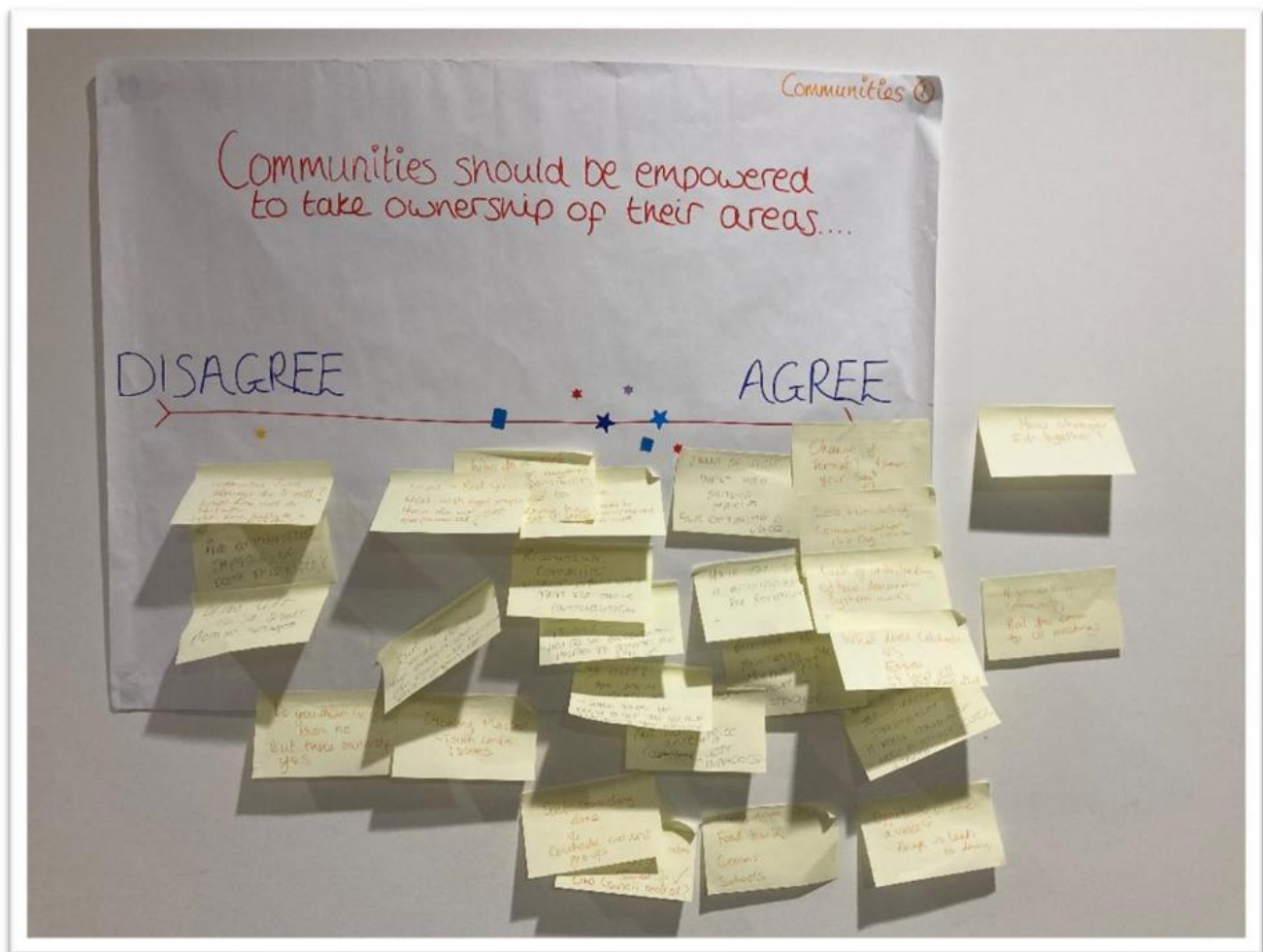


## The role of communities - themes from discussion groups

There was a general view that **community empowerment** was both possible and important but that it should be **proportional to capability and not *instead of the council***. Residents explained that they knew it takes time and that **simple, easy initiatives would enable people to 'dip in and out'** (and thus not become a burden) and the focus should be on **quality rather than quantity**. The focus should be on tackling future issues rather than "bog-standard" recurrent issues and not just quick fixes or 'sticking plasters' on issues but a more **holistic approach**.

For this to happen, and for residents to feel more empowered, **the council needs to more accessible and less intimidating** (the group agreed that they knew there was the ability to attend meetings as a member of the public, but felt that they didn't know where/when these were and who held responsibility for different things (i.e. Parish, Ward, Colchester and Essex Councils) – and they felt that the council often didn't know either (examples were given here of when residents tried to 'fix' something in the community but councils, parishes and charities kept passing them to different organisations. **They felt deflated and**

**frustrated** and often gave up. It was agreed by the group that **communication needs to be better suited to residents and better in general**. There are so many different groups and organisations which don't seem to talk to each other – **a more joined up approach is needed**.

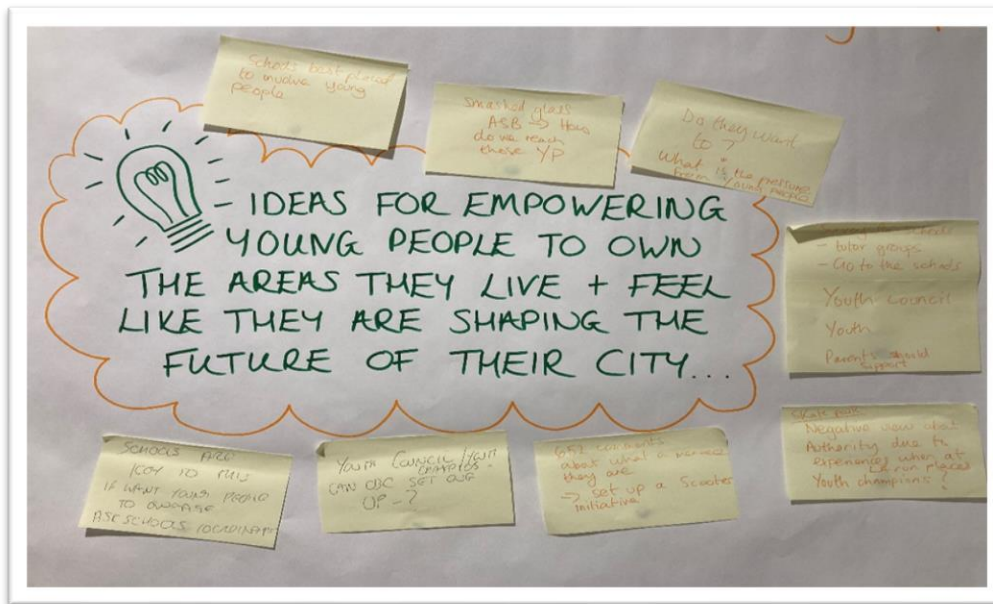


Other points made during discussion sessions with residents related to communities:

- Feel they do have empowerment but **it takes a long time for the council to respond** back to the resident once they've complained (after acknowledgment)
- Needs **more dialogue** with the communities and the councillors
- Look at other initiatives that help generate extra money e.g., **crowdfunding**
- Look at things which are **simple** for residents to be part of, i.e., tree planting. Get schools involved to learn about environment – **quality rather than quantity**. **Following up on initiatives is important** e.g., how the trees are growing etc. - an example was given in the room here of a similar initiative taking place but all trees dying after they were planted – who was responsible for this?).
- 'When it's done well it's great and when it's not it's a disaster!' – **must be well managed** by council
- When communities run their own areas, it **falls on the same people/age/group** to do everything
- Sometimes, a small handful of people get involved that **don't necessarily have the right skills**
- Look at ways of recognising things. (i.e., little warriors, litter pickers) and get **messages from co-ordinator** on what's involved

- Communities need **inspiration to get involved**
- People should **take ownership** – those who are engaged are willing
- The council doesn't really engage with the community. They need to **make it less intimidating**. How are they getting people to sign up? Integration and **communication need to be better managed**. People need to have clear signposts on how to sign up to get emails
- There's a **lack of understanding on how local democracy runs**. Takes a huge amount of **effort to understand and navigate the system**
- Council needs to make things easier as it's 'pretty impenetrable' and then **people give up**.
- **Citizens UK** – Colchester has a group. Invite them to your meeting and tell your personal stories. Ask Cllr King to attend or someone from the council
- Communities don't feel empowered to make a difference and though we have ward Cllrs it's never resolved – just a sticking plaster
- Town Centre Community – **Masterplan meeting was disjointed** as you've a strategy for the town centre, history, jumbo but it feels like it's a little bit here and a little bit there. It doesn't **look at the holistic picture** and we could have a better **strategy at the higher level** which could get people to buy into it a bit more, they could make sense of it on how it fits together.
- Living wage – Use all the platforms or the council could facilitate that through comms messages
- We should **empower young people** – don't shoot them down
- Suggested that schools are the best point of call for getting information out to different age groups. **Using the influence of the schools** of hearing of young voices.
- Youth Council - Do we have a youth council in Colchester that talks to the council? **Wendy** knows of someone that could talk to the council (Research team has Wendy's details)
- There needs to be **consistency**
- Look at a '**Champion**' model – for skateboarding, cycling etc,
- Every school can put out a survey through tutor groups and invite council to come in and have a forum
- Where is the pressure from young people to feeling unempowered? It's **mental health** side of things
- Young people don't know how to **express something they're passionate about**
- They don't know how/where to have any **interaction with someone in authority** to express their concerns
- **Have your say meetings**: they are quite **intimidating**, and it appears to be the **same people from the community attending**. You need to make it more inclusive and let people know you can make representations

- There's **no integration in communication at schools, across cultures** etc. There are over 20 sites where different events are going on

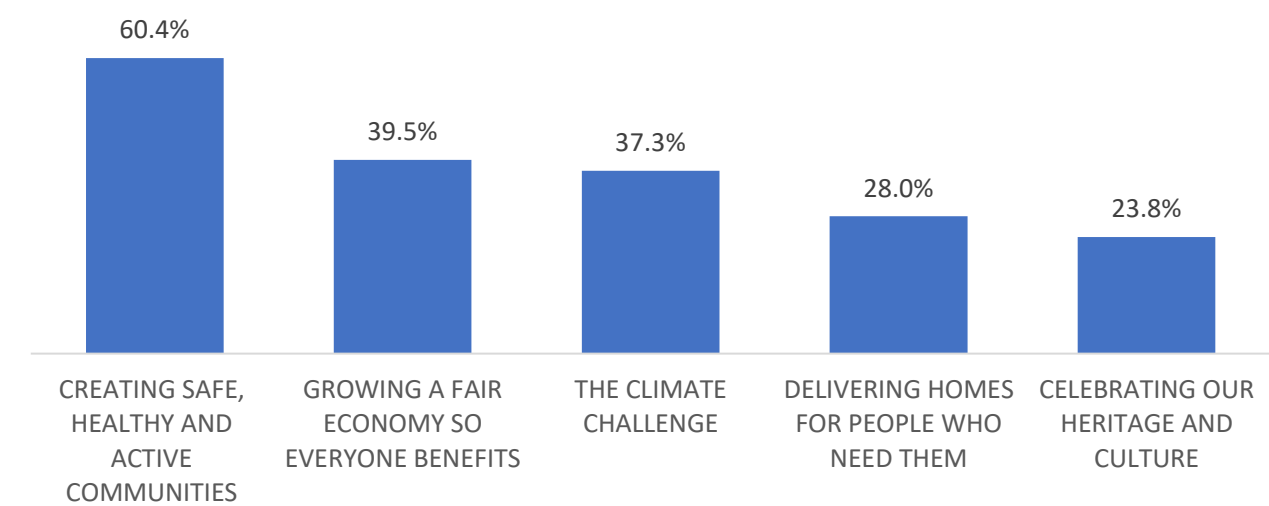


# Priorities for the Council

## Priorities of residents

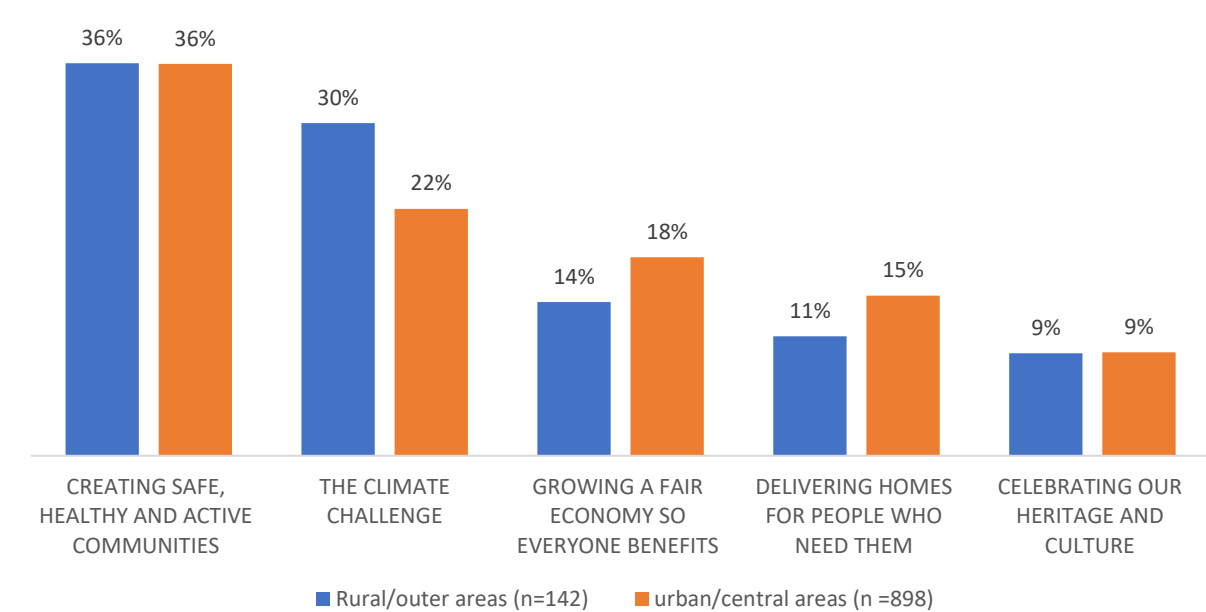
Residents were asked to rank the current council priorities in order of importance.

**‘Creating Safe, Healthy and Active Communities’** was the 1st or 2nd priority for 60% of respondents.

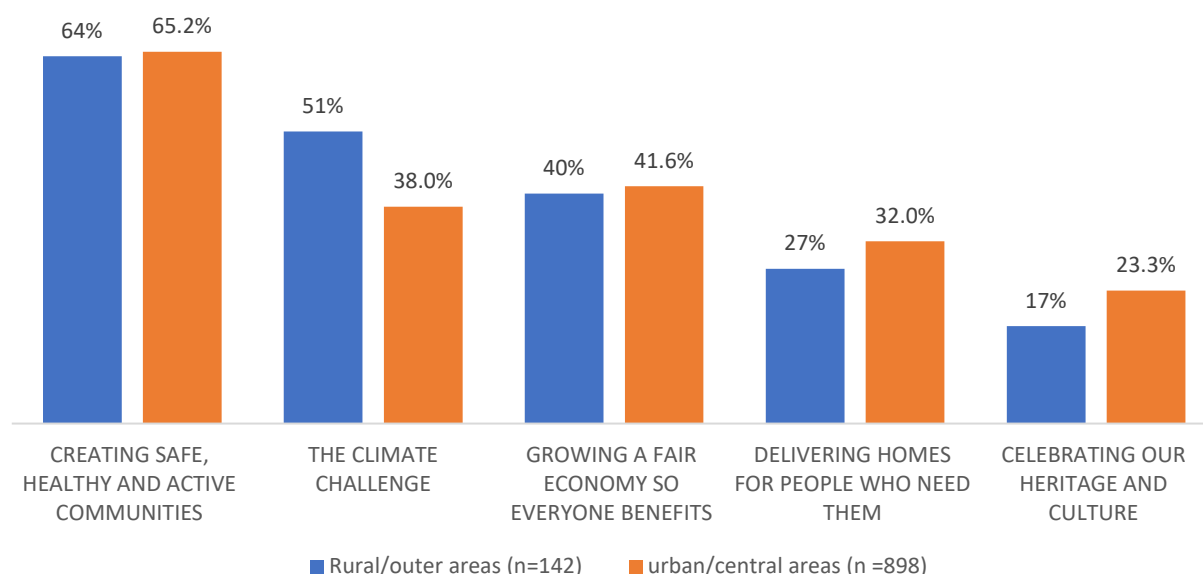


We compared responses from those in rural/outer Colchester areas with those who live more centrally to see if there were any differences in priorities. There was little difference between the areas in the proportion each priority was ranked 1<sup>st</sup>. There were some small differences when combining which priorities were ranked 1<sup>st</sup> or 2nd, with a higher percentage of those in rural areas ranking the climate challenge 1<sup>st</sup> or 2nd and those in Urban/central areas ranking delivery homes and growing a fair economy higher (Rural/outskirts = Marks Tey and Layer, Mersea and Pyefleet, Rural North, Tiptree).

Priorities ranked 1st Rural/outer areas vs Urban/central



**Priorities ranked 1st or 2nd Rural/outer areas vs urban/central areas**  
(N/B percentage out of 200%)



For a detailed breakdown by age, gender, ethnicity, disability and ward please see appendix 4.

### Other priorities

Respondents were asked; **What would your number one priority for the council be for the next 3 years?** They were then asked to explain their answer. 97% (n=1075) of respondents put an answer in the initial text box and 87% (n=911) went on to explain their answer. In the 'top priorities' open text box, of those that answered, 237 people mentioned the **TOWN CENTRE** and said that it should be one of the top priorities.

The only other 'new' themes were; **INFRASTRUCTURE** and the need for this to sufficiently support the growing population and housing stock and **LESS HOUSING** although this could be grouped with the climate challenge/sustainability as was often in relation to green space in the borough (even if green space/climate wasn't specifically mentioned).

### Priority Themes from Open Text Boxes;

#### Top 4;

- Town Centre 25% **\*NEW PRIORITY\***
- Climate 18%
- Infrastructure 14% **\*NEW PRIORITY\***
- Community and Safety 14%

**All Other Priorities Mentioned;** Cost of Living, Culture, Economy, Housing, Less Housing/ Development, Affordable Housing, Other, Safety)

**Housing was split into 3 themes;**

1. (Want for) Less Housing



## 2. General

### 3. (More/better) Affordable Housing

*(Comments in this section were only attributed one over-arching theme. All comments are random and verbatim)*

#### **(Top 3; Town Centre, Climate and Infrastructure)**

- **Town Centre - 25% (n = 237)**

*(Regeneration, general cleaning up, filling empty buildings. Often linked with comments relating to community, culture, retail and safety).*

- *"To move away from the current "anti car" policy that has seen people driven out of the town centre, which goes in tandem with the demise of the retail sector within the town - The priorities should be to ensure that the town centre has a thriving retail economy. There should also be easy vehicular access to the town centre roads, with cheap parking to encourage residence to visit, and not force them to drive miles to out of town bland retail parks."*
- *"Making the town centre more attractive and upcoming for tourism - I just feel too much is being done on the outskirts I.e by the stadium and Stan way because land is cheap but not enough in the town centre."*
- *"To improve the infrastructure around the town to make it more accessible to all. To clean up and improve dilapidated areas. Turn empty shops and offices into affordable housing rather than building on our green spaces. Make Colchester a place to celebrate, not feel embarrassed by - The current priorities seem very vague. I appreciate the need for affordable housing but I do think we as a nation should be looking at buildings that already exist but are not used (there are plenty of these spaces) that could be turned into housing, or using brownfield sites prior to more recreational space being culled."*

- **Climate - 18% (n=177)**

*(Includes green transport and general measures to keep Colchester greener).*

- *"Growing the local economy in a way that supports the climate challenge - Attracting businesses that help reduce demand unsustainable resources, through sustainable technology and renewables will help to upskill communities for the longer term whilst showing our commitment to the climate challenge. Colchester seems to need a niche in the business market."*
- *"Better Maintenance of the environment so that open and green spaces are ones that we can be proud of and use safely - The environment in which people live and work is in my opinion the most important service the local authority can deliver to encourage the well being and development of all strata demographic groups"*
- *"The climate challenge. Sorting out car dependency - It's unpleasant in Colchester in places as a pedestrian. Too much public space and consideration is given to vehicles. Even new developments (Stanway) are not pedestrian friendly and encourage car use. It would make a radical difference to Colchester if the Council could grapple with these issues and resolve them effectively"*

- **Infrastructure - 14% (136)**

*(Includes roads and other infrastructure such as schools and GP surgeries and how these need addressing).*

- *"Better services to manage the way too much new homes that has been built - Too many new homes, infrastructure can't support, it enough incentives to use public transport"*
- *"Infrastructure and facilities - It's no good building homes and encouraging companies to come to Colchester when the roads are awful, there aren't enough Doctors dentists and schools. The elderly need better facilities too, activities and clubs to avoid loneliness."*

- *"Stop wasting money on badly planned infrastructure - Bus station replaced by arts center that's hemorrhaging money and a bus station not fit for purpose now"*
- **Community and Safety - 14% (136)**

(General community comments. Includes; policing, ASB, pavements etc).

- *"Ensuring there is a safe environment - Lots of footpaths are in dangerous conditions from tree roots (that were planted by council on green verges)"*
- *"Safety in community - Street lighting extra policing"*
- *"Safe healthy and active communities - If residents feel safe, they take pride in their area and want to contribute to reducing carbon emissions, recycle more, keep area tidy etc"*
- *"Engagement with residents, actually understand what matters to people - For too long councillors and politicians have acted upon what agenda they choose, rather than listening to their customers (the residents/voters) and what they want. For example, our road is breaking up and in need of urgent repair. It's a busy road, on a major bus route, yet we are told it can't be fixed until 2024 at the earliest. These things matter to people. Drive a people's agenda, not a politician's/council's agenda."*

#### **All Other Priorities Mentioned; Cost of Living, Culture, Economy, Housing (General), Less Housing/Development, Affordable Housing, Other.)**

- **Cost of living**

(Comments mentioning that helping those in need should be prioritised).

1. *"Cost of living - Help the community that helps the council"*
2. *"Helping people to afford to live - It would be nice to see more support towards communities and small businesses."*
3. *"Helping those most in need."*

- **Culture**

(Often closely linked with 'town centre' theme and discussing need for Colchester to make more of its culture, heritage and tourism).

1. *"Community and promoting our heritage - If we promoted our heritage like other historic cities e.g. Bath, York etc. Would have a follow on effect to the city. I'd like to see more performance venues and community gatherings."*
2. *"To preserve the heritage and attract people to see it - Not enough is done to preserve and promote the town's history. While there are things to visit in, the wider "experience" leaves you lacking. The quality and diversity of shops is poor and there is little enticement. The development at Stane Park is fine, but traffic management has been poor. More quality events need to be put on in the town."*
3. *"Arts and culture - More funding for arts and culture events. Support us organisers and we will do our utmost to support support tourism into the city and boost the local economy."*

- **Economy**

1. *"Focus on the economy and supporting local businesses - Because that creates jobs and wealth and allows the other priorities to happen."*
2. *"Economic improvement and support for working households - There are lots of options for support for low income households and those on UC but they're not the only once struggling and I'd like to see financial support for hard working people."*
3. *"Growing economy - It's good for residents especially in these difficult times"*

- **Housing**

(General comments regarding housing. Usually the need for delivering homes. Sometimes mentioning 'infrastructure'.

1. *"Have a real comprehensive plan for achieving net zero, protect people's households and avoid housing speculation"*
2. *"Stop building housing stock till you fix the infrastructure - hospitals, doctors, dentists, roads are full, stop bring in more"*
3. *"To consider the level of housing and building across Colchester and how local amenities match that, i.e. A second recycling centre or expansion of the Stanway one and access, regeneration of the town centre and retail units, more frequent buses from places like Tiptree to Stanway and Colchester town centre, station and hospital - Planning seems to be high up on CBC's agenda, at the expense of the balance of green space and public amenities, eg. Proposed development of Middlewick Ranges, regeneration and redevelopment of Stanway and Stane Park, lots of building up by the hospital, yet no improvement to road access to the hospital for emergency vehicles - particularly around North Station. Also a huge housing development in progress in Barbrook Lane, Tiptree, as well as another one proposed for Brook Meadows. GP services in Tiptree are heavily oversubscribed, as are all local schools. Housing and public services, plus a balance of green space for health and well-being, must be balanced"*

- **Less Housing/Development**

(Often linked to 'climate' and some 'infrastructure' themes and how this is having a detrimental effect on Colchester's green space).

1. *"Stop building everywhere!- Stop building everywhere and stop importing every Tom Dick and Harry that doesn't integrate or speak English"*
2. *"Stop building houses on our green spaces like the wick - Concentrate on the economy and not lining your own pockets from housing firms"*
3. *To save all of the Green space we have especially Middlewick. - The council are obsessed with concreting over every last blade of grass and this need to stop now."*

- **Affordable Housing**

(The need for suitable, affordable housing for those in need and residents in general. This includes our current stock and ensuring they are of high enough quality).

1. *"Delivering homes which are affordable and high in quality - Having affordable homes is pointless if they aren't of sufficient quality. I.e. it's pointless to have a home if it gets frozen in the winter and boiling in the summer."*
2. *"Affordable housing for people who aren't students - We have a glut of student housing and housing built for those who work in London but none is affordable for those who actually live and work here. Less houseshares and more apartments for people especially those with mental and physical needs."*
3. *"Building more council homes (some of which should be for disabled residents so have wider doors and level access). Setting a cap on rental costs so that people on low incomes and benefits can afford to live - There are not enough homes that are affordable. And disabled residents are doubly excluded as most homes are entirely unsuitable"*

- **Other**

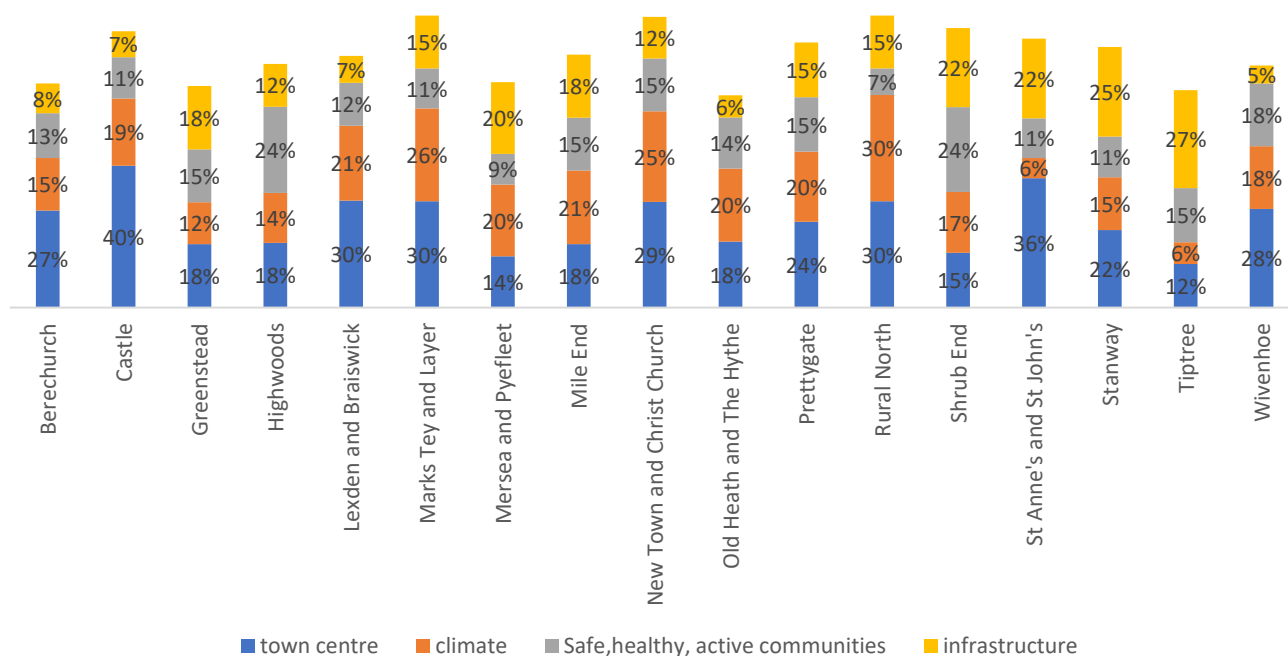
(Unrelated to any other comments thus unable to be themed).

1. *"Getting rid of the Tories"*

## Top 4 'Other' priorities by ward

The town centre was one of the top 4 priorities mentioned by residents in all wards not just those that live close to the town.

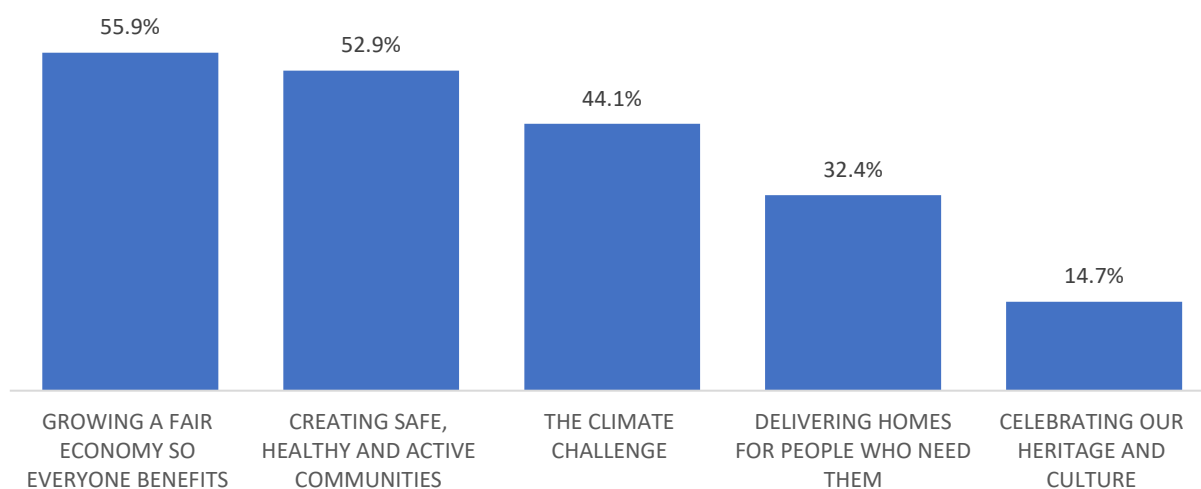
Top 4 priorities across wards - open text box



## Priorities of members, parish and town councillors

Growing a fair economy was the highest ranked priority for councillors (55.9% ranked 1<sup>st</sup> or 2<sup>nd</sup>) but this was based on a much smaller sample of 38 respondents.

Priorities ranked in order of importance by members & Parish/town cllrs - %  
Priority 1 or 2



#### PRIORITIES

After being asked to put current priorities in order of importance, members were asked what their top priority would be (Random selection of verbatim quotes below).

*"The restoration of pride (in its proper sense), competence, abandoning Political Correctness, establishing more traditional values and order - Colchester's Direction of Travel is distorted: I do not agree with the priorities."*

*"Tidy up the town centre and High Street - Wealth of fine facades in High Street just being left to rot. Shop fronts ugly and garish. Too many fast food joints."*

*"Pressing ECC to sort out the horrendous traffic - Traffic is the most pressing problem causing pollution, congestion and misery. You can't go to eg Turner Rise / Asda without ending up in gridlock and then avoid using facilities. Stop building more houses introducing more traffic until the current problems are fixed. We don't need any more houses. Chesterwell have laid off builders as they can't sell the houses."*

#### Discussion groups – focus on city centre priority

Because the renovation of the city centre was a strong theme amongst respondents of the survey, this was discussed in the face to face groups. There was a **strong relationship between the centre and out of town retail parks**. Initially it was apparent that residents felt that out-of-town retail parks were to blame for the 'decline' of the town centre, but after deeper discussion it appeared that there was room for both and that **they serve different purposes**. The older individuals in the room generally seemed angry about retail parks initially, whilst younger people liked them (along with online shopping) and said that **town was more for an 'experience'** rather than to just shop. It was also news to the majority in the room that the council opposed Stane Retail Park (after some very negative comments about the council 'letting' this happen and that the Council are to blame for the decline in the town centre). When it was explained by the discussion group facilitators that the council tried to oppose the plans, this sparked a wider debate about the **confusion around the council and what they are responsible for**. It was mentioned by those in the room that there is a **need for a clearer and more holistic communications strategy to residents** (including the need for a communications campaign to educate residents around what Essex County Council are responsible for, but this should be 'business as usual').

#### Other thoughts/comments from the discussion groups regarding the town centre:

- **Lower the rates and rent** on the empty buildings (especially for small or start-up businesses)
- Mend the **pavements**
- Look into why did the businesses feel the need to move out of the town?
- Chelmsford are not affected by online retail or out of town retail parks. So what are they doing that we're not doing in Colchester?
- Make more of **arts trail for shoppers**. Find a way to encourage independent/niche businesses to come into Colchester
- Rates are extortionate compared to other towns
- Empty shops - Look at **flexible terms** for independent people who are going to start their own business rather than 5 year leases.
- What are the stats with other towns? How many shops they have and how many are empty?

- **Safety factor** – People don't like walking home from work through the town. (Anti-social behaviour)
- **Circular park and ride** similar to system in Cambridge - multiple sites, multiple centres
- **Colchester as a destination rather than just retail**, it's about a destination where people go to enjoy themselves to have food, cinemas and living, shops. Has to be something **more than shops**. An experience day - dining/indoor market/experience events
- Need to do something with the old cinema instead of letting it go to complete ruin.
- Create areas where you can 'DIY'. **Pop-ups** where you can repurpose items or hold crafts areas (also beneficial for community spirit and social interaction).
- Shared working space in town – business hub – which would encourage those working from home to come into town, have coffee lunch etc.

**We asked those in the room what would/could entice them to travel to the high street/centre vs. retail parks;**

Town/City Centre	Out-of-Town Retail Parks
<ul style="list-style-type: none"> <li>• More electric parking</li> <li>• More small independent shops</li> <li>• Young people engagement for Osborne Street, NCP, bingo area.</li> <li>• Cultural facilities would entice</li> <li>• Incentives eg removal of charges if using the castle</li> <li>• Get rid of parking charges on certain days</li> <li>• Cargo bike hubs in the centre for families...hire and park them</li> <li>• Amazing history of Colchester but needs to be more accessible/available</li> <li>• Our heritage - need to take more advantage</li> <li>• Stores that are closed could exhibit as a museum - a celebration of Colchester / schools could come and visit re: roman history</li> </ul>	<ul style="list-style-type: none"> <li>• Closer together so more under cover (weather)</li> <li>• Convenience</li> <li>• Car parking is free</li> <li>• Cleaner and newer</li> <li>• No traffic</li> <li>• Shops generally bigger and more selection</li> <li>• More convenient to get to</li> <li>• Open longer hours</li> <li>• Difficult to get to for non-drivers</li> <li>• Could park and ride go out further? (The Old Sainsburys could be a potential site for park and ride?)</li> <li>• What about an orbital bus (circular) that goes both ways</li> <li>• Perhaps by using the park and ride/bus some of that money could be used to support the regeneration of the high street?</li> </ul>

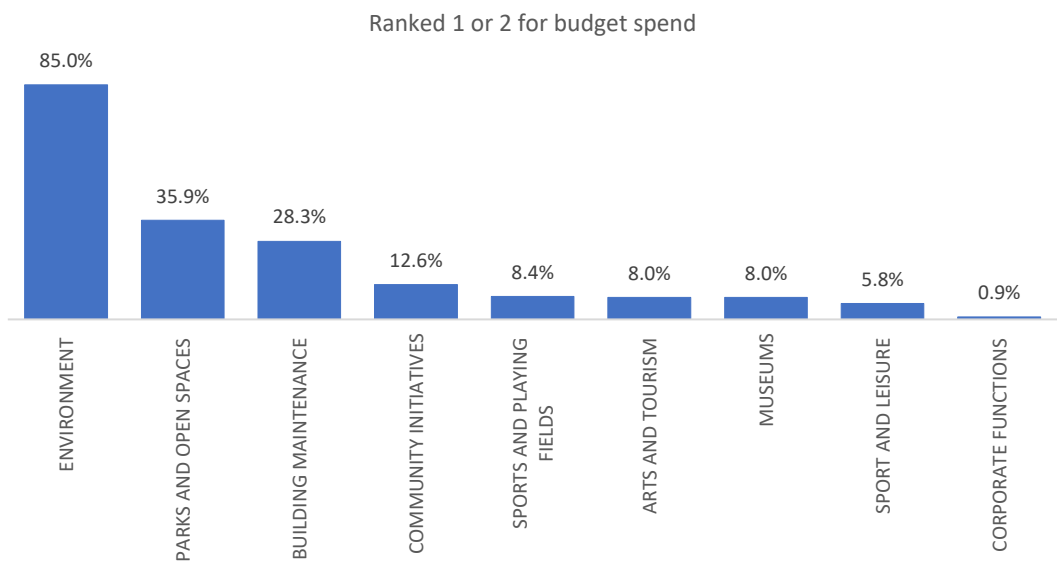


# Budgetary spend

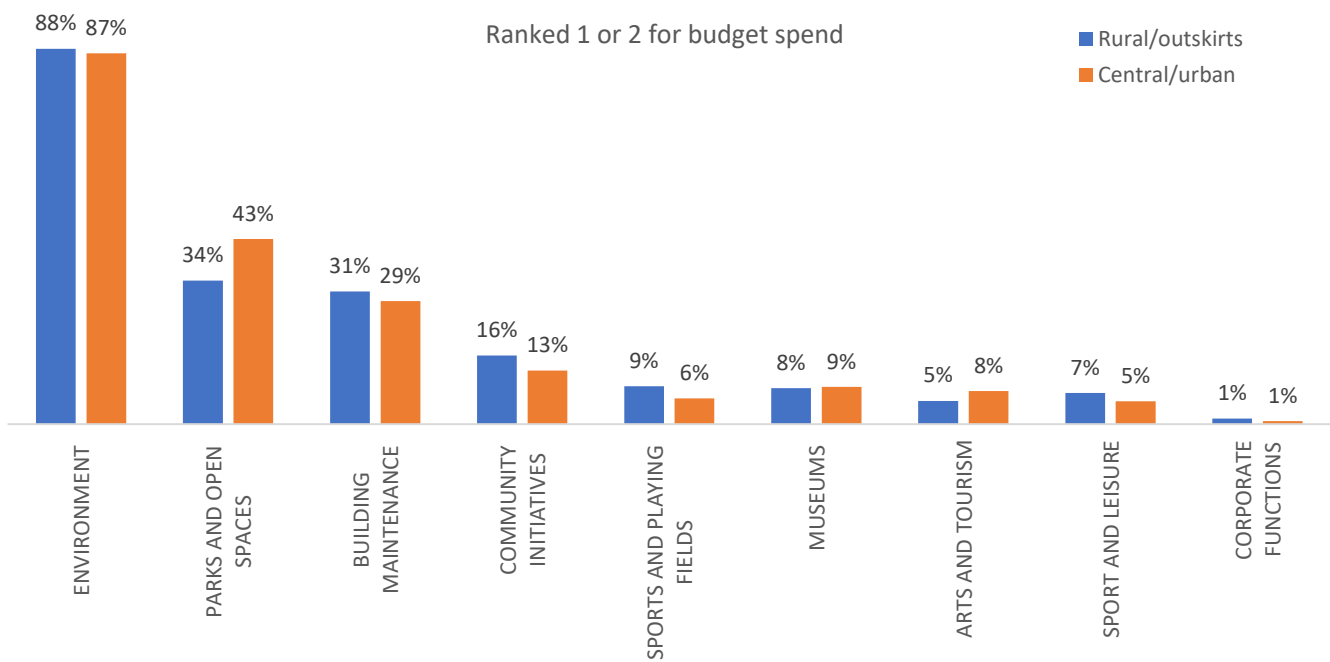
## Budget areas important to residents

Residents were asked to rank the budgetary areas (that cost the council the most to run) in order of importance to them.

- 85% of respondents ranked ‘Environment’ either first or second (out of 9) in order of importance to them in terms of budget spend.
- 36% ranked ‘Parks and Open Spaces’ first or second in order of importance.



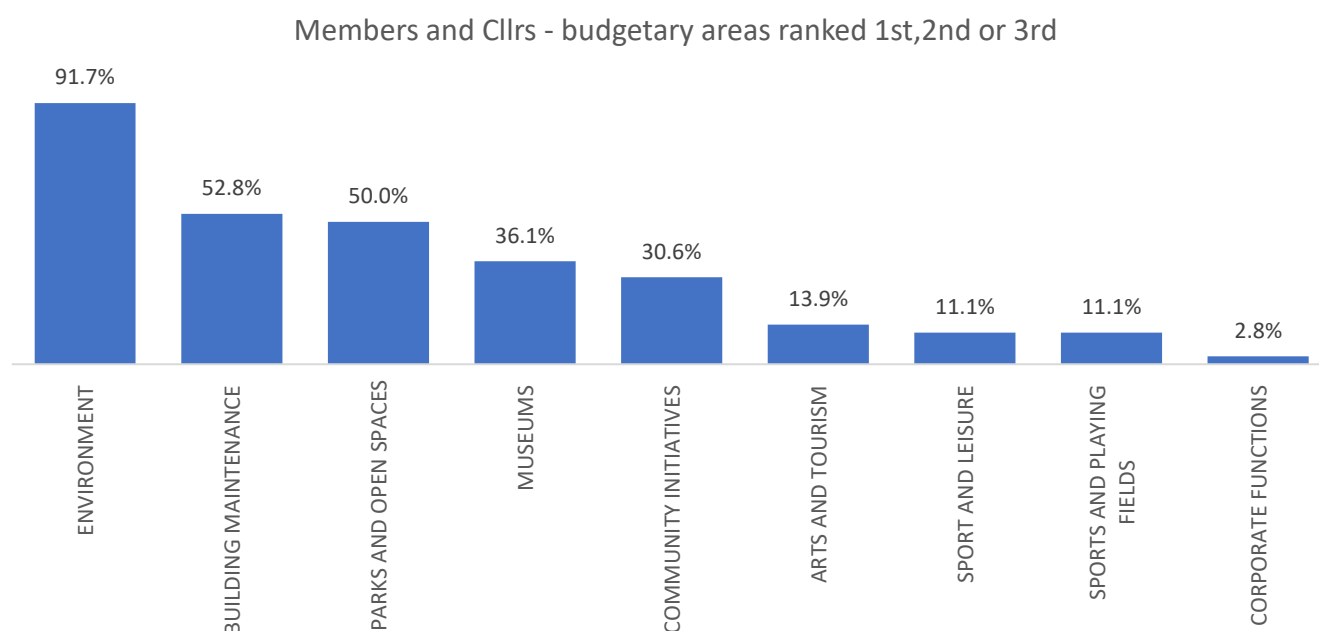
- There was little difference in how these were ranked when comparing those that live in the rural/outskirts of Colchester and the more urban/central areas of Colchester. **For a full breakdown by age, gender, ethnicity, disability, and ward see appendix 5.**





## Members and councillors budget ranking

Members and councillors also ranked Environment 1<sup>st</sup>, with 91.7% ranking Environment 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup>.<sup>1</sup>



## Discussion group themes - budget saving ideas

At the discussion groups we discussed ideas with residents that could potentially save money for Colchester City Council. These ideas included: outsourcing of tourism and leisure services/facilities, country parks, and changes to waste and recycling collection.

### Outsourcing of tourism/leisure/country park facilities

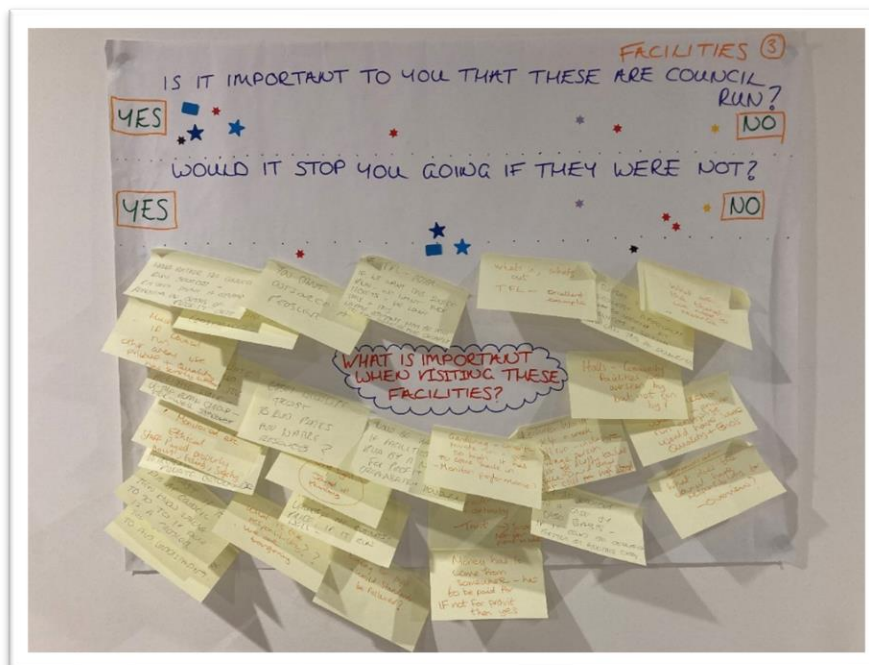
The discussion group facilitators asked those in the room how they felt about facilities, (including but not exclusively; museums, leisure facilities and country parks) and how important they felt it was that these were owned/managed by the council. Initially, they felt that this was very important – but after unpicking the reasons as to *why* the room felt like this, it was clear that it was more important that the council remained to have overall control but it could work well if they were to be managed by other companies (both private or charitable, but ideally not for profit);

- The council is a trusted entity. People know what they are getting and that they will get a fair price, so it is important the council maintains overall control if they were to outsource
- Concerns that if privatised, profits would be the only goal
- Leisure world – well run facility and targeted at the average person – don't want an over priced David Lloyd in its place!

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<sup>1</sup> Not all Budget areas were ranked 1<sup>st</sup> or 2<sup>nd</sup>, in order for the graph to include all budget areas we have included those ranked 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup>.

- Health & safety is trusted if run by council - if running as a non-profit (or profit) organisation they may cut corners
- You know what you're getting with the council, and you have continuity.
- If it's non-profit – it doesn't matter who really runs it as long as its run well
- Non-profit seemed to be favourable for museums and country parks
- Private companies were favoured for heritage as room recognised need for initial cash injection (Lion Walk mentioned here as example of this done well)
- Council could make more of it than we have now
- Residents want to know what service and price they're going to get
- Currently buses don't work in Colchester all different companies (they don't 'join up'). TFL is the sort of model that could work in Colchester (eg run by private companies but overseen by TFL).
- Must be looked at on a case by case – one size doesn't fit all
- Leisure world making a loss – you can't outsource it with the problems - council needs to be honest (many didn't know Leisure World runs at a loss)



### Waste and recycling:

- The room (16 participants) were all active and keen recyclers
- There is appetite for more items to be recycled (toothpaste bottles and crisp packets for example)
- Some individuals recycled other items locally in their communities (via Facebook groups, at schools and local shops)
- The easier it is, the more people will do it, but it can be complicated
- Acknowledgement that although the room recycled and found it easy to do so, it wasn't always easy; eg for people with less space and for those in flats for example
- If it was all in one container - it would be easier

DO YOU RECYCLE?

ALL 16

Do you think more people would recycle if you could put ALL items in together??

Chances of more recycling plan Yes

One place for all all 3 supports this

Evidence based approach whatever best for recycling circular economy.

Other types of recycling? (e.g. food, clothing)

How much will it cost? (e.g. 1000000)

```

graph TD
    Q1((DO YOU HAVE A WHEELY BIN?)) --> YES1[YES]
    Q1 --> NO1[NO]
    YES1 --> Q2[DO YOU WANT ONE?]
    NO1 --> Q2
    Q2 --> YES2[YES]
    Q2 --> Q3[?]
    Q2 --> NO2[NO]
    Q2 --> YES3[YES]
    Q2 --> Q4[?]
    Q2 --> NO3[NO]
  
```

DO YOU HAVE A WHEELY BIN?

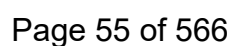
YES → DO YOU WANT ONE?

NO → DO YOU WANT ONE?

DO YOU WANT ONE? (from YES) → YES, ?, NO

DO YOU WANT ONE? (from NO) → YES, ?, NO

That will



# City status

## Resident views on city status

Respondents were asked what opportunities they hope Colchester city status will bring them. In total 89% (n=992) gave an answer to this open text box question.

As with the question regarding priorities, the town centre featured highly in the responses given with 22% (n =217/992) of comments mentioning the regeneration of the town centre as a potential opportunity following city status.

Other themes mentioned in response to opportunities included; culture/leisure/tourism, employment/economy/education, infrastructure, other, general (investment), community/safety, greener, cleaner and opportunities for the wider Colchester areas (explanation of themes on next page).

The top 4 themes (Employment/Economy/Education, Infrastructure, Culture/leisure/tourism and Town centre) were consistent across wards.

13% (n=129) of respondents, when asked about opportunities, gave a negative response. The question specifically asked about opportunities, so it does not mean the remaining responders necessarily felt positive about city status.

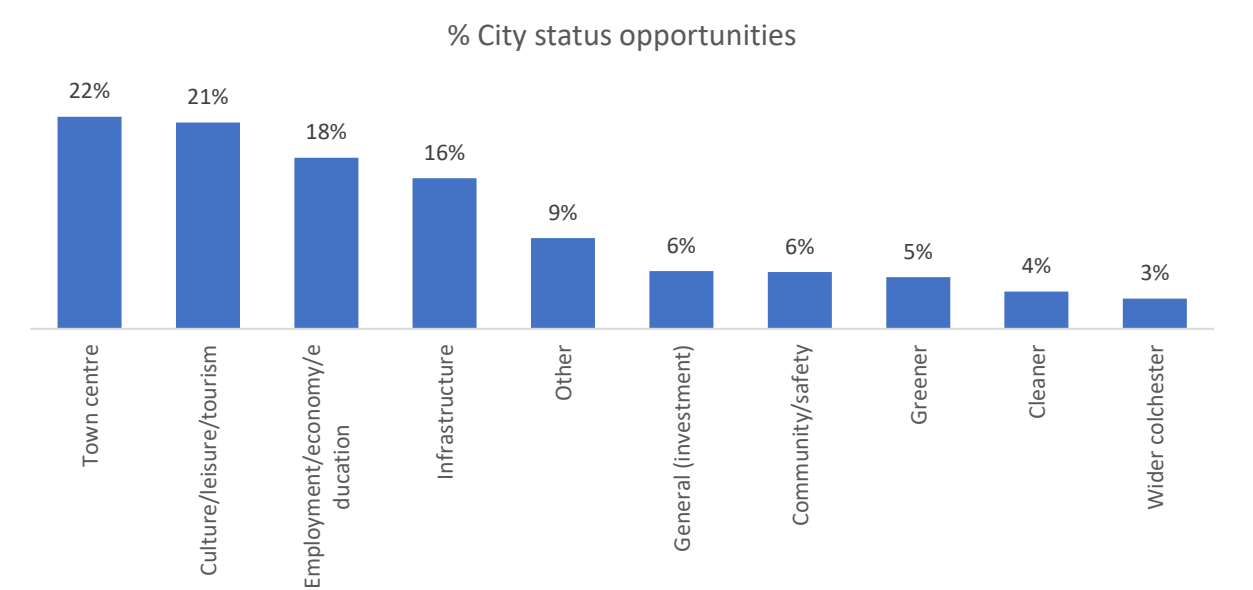
(129 negative comments) Random, verbatim examples.

*“Nothing I will still not go into Colchester town it’s a dump”*

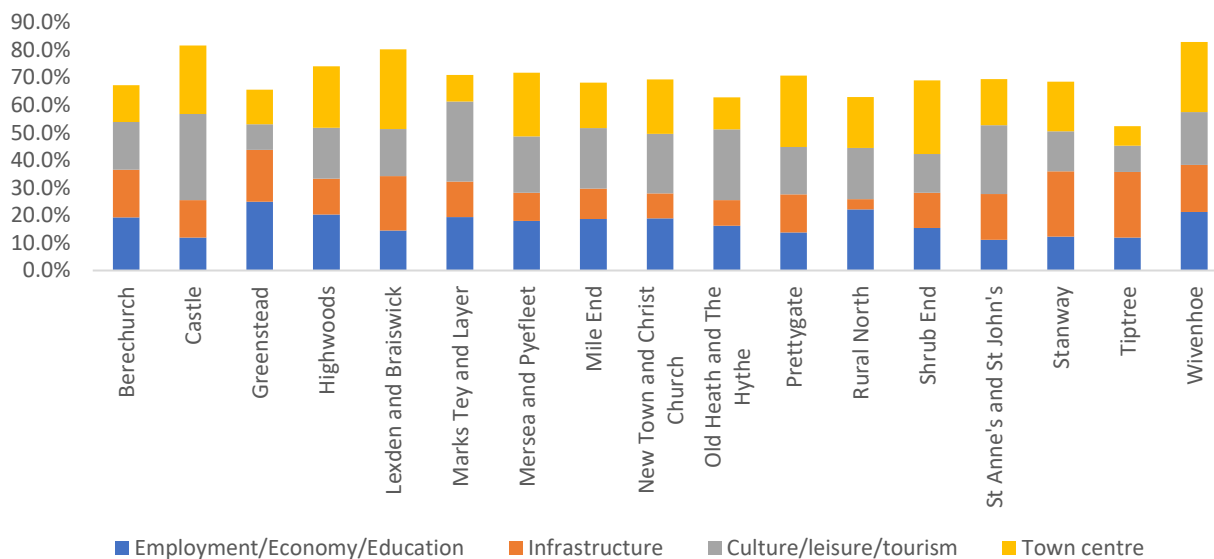
*“None - waste of money”*

*“Did not want to live in a city”*

*“There is no proof that city status, I believe it’s always been a vanity project”*



Top 4 themes - City status opportunities by ward



**Do you have any other thoughts or comments regarding Colchester City Council's priorities? (quotes verbatim) - many fall under and have been counted under multiple themes.**

58% left a comment (n=643). All comments random and verbatim.

#### Infrastructure

(Inclusive of car, public transport, green transport and facilities such as GPs, schools and car parks and pavements – often related to expected rise in investment).

- "Better transport links"
- "Better tourism, less building, enhanced infrastructure"
- "Improving the transport network around Colchester to grow in line with homes, another hospital/drs"

#### Employment/Economy/Education

(Includes comments relating to more job opportunities, tourism income and jobs, more investment and opportunities for children now and in the future).

- "More tourism, more business and a high street with shops returning/opening."
- "More support for shops and family businesses"
- "Income so we can live rather than just exist"

#### Cleaner

(Spoken about in relation to Colchester being more inviting)

- "That the streets will be cleaner and more shops in the centre will stay open"
- "A better, cleaner and more successful town (city) centre."

#### Greener

(Including developing on green land, the climate and green transport and open spaces).

- "Better sports facilities. More cheaper environmental transportation via buses."
- "Green investment, renewables"

**Culture/Leisure/Tourism**

(Includes comments which discuss shopping, our history and heritage for jobs and investment from visitors and business)

- “More work opportunities and better shopping and eating experience”
- “Hopefully a job in heritage!”
- “Hopefully more funding for the arts and also leisure facilities.”

**Town Centre**

(Regeneration – often linked to leisure, tourism, culture and heritage related comments)

- “Make the city centre a nice place to be in.”
- “Better shopping, bigger brand names in town. More cultural events”
- “More choice shops, less barbers. Outside areas to sit and chill with no traffic.”

**General (Investment)**

- “More inward investment and growth (through business investment and additional tourism)”
- “More funding for the community”
- “Investment in reducing poverty in the area and increasing opportunities”

**Community/Safety**

(More support in local communities and/or safety relating to ASB, policing and pavements).

- “Safe, happy communities.”
- “A cleaner, Safer more attractive place to live in, to work in and to visit”
- “Greater investment into community activities, hopefully to bring down costs so that activities like swimming etc are more affordable”

**Wider Colchester**

(Comments which mentioned the wider borough or specifically outside of the centre).

- “Policing in Tiptree”
- “Don't forget the surrounding villages it's not all about Colchester”
- “To save MIDDLEWICK from development.”

**Other**

- “Make it somewhere to be proud of”
- “Big brand shops, upgrades to park play areas, house prices increase”
- “I'd like to see all of the above but we are in the midst of a cost of living crisis and as such I can't see any benefits happening in the near future.”
- “Better planning.”



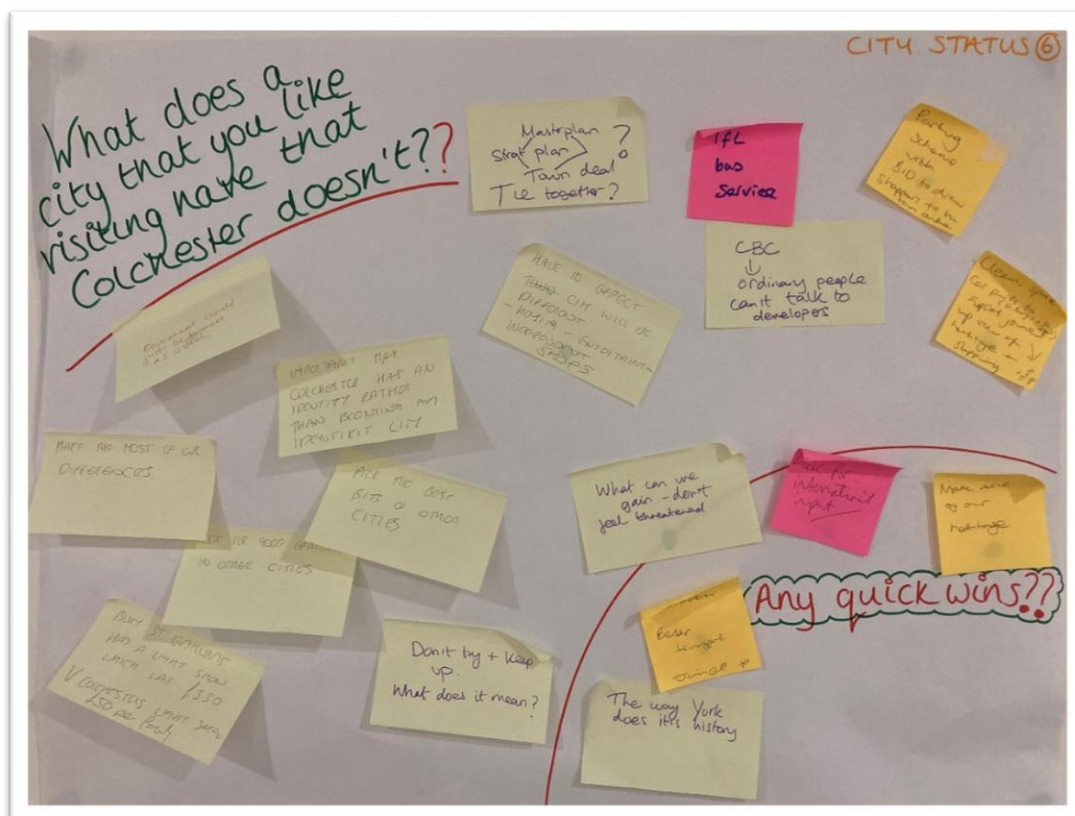
## Members and councillor's views of city status

Comments from members and Parish Councillors 35 comments left in total. All comments random, verbatim and anonymous.	
Positive/Neutral Comments	Negative Comments
<p>"a flourishing future for Colchester"</p> <p>"A higher national profile resulting in business wanting to come here bringing high wage jobs"</p> <p>"Lowering the council tax and helping the homeless"</p>	<p>"I don't agree with city status and disagree it will bring any opportunities"</p> <p>"none keep it as a Town"</p>

## Discussion group - city status

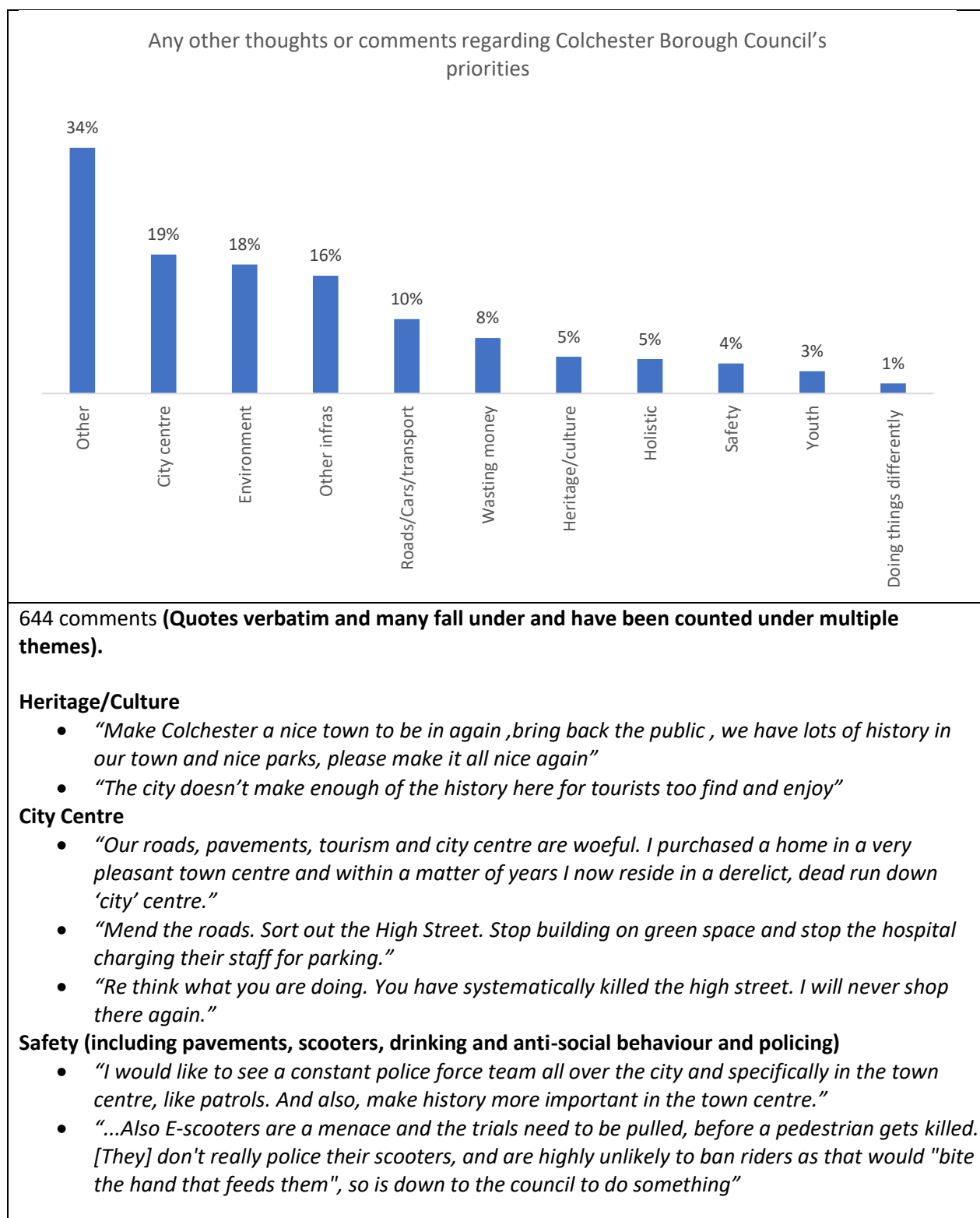
Points to note from residents;

- Colchester needs to have an identity now that it's a city, with the different boroughs, areas, parishes within Colchester. How do you bring those together, so you have an identifiable City?
- Try and gain from what other cities are doing
- We should make the most of our differences (historical sites and galleries for example)
- Look at how York/Bury St Edmonds/ Norwich etc runs its heritage/history
- [We] Like the independent pedestrianised shopping areas of Norwich - independent shops, cafes, filtering bus lane, outdoor market, cultural bits
- Have more housing in the centre of Colchester
- More entertainment venues – make Colchester an experience
- There are so many different meetings and consultations. It's confusing and they need to be joined up - it's hard to keep track of them all.



## Final thoughts

Other thoughts or comments regarding Colchester borough/city council priorities from residents  
A wide variety of other comments were made. The themes echoed much of what was said across other comment boxes. New themes, such as 'Holistic' (needing a joined up approach) were given further context discussion groups.





### **Wasting Money**

- *"Get the basics done right, before wasting money on publicity stunts. Invest in the youth of Colchester. No more housing without more local services. Schools, hospitals, GPs"*
- *"Stop wasting money on cycle lanes and park and ride as residents don't care for either scheme. People have cars and will always continue to drive them, the council just needs to wake up to the fact and accept it."*
- *"They must ensure that money is spent carefully"*

**Environment** (including green spaces, Middlewick Ranges, housing developments on green land, parks, recycling and air pollution/green transport).

- *"Priorities should always be people and nature."*
- *"And I will repeat for emphasis - Your treatment of Climate Change as just one of a set of things the council might / might not do demonstrates that you have not understood the situation facing us. Reducing climate damage needs to be 'baked in' to the way the council runs (like equality, or violence in the workplace), not an optional part if it can be bothered."*
- *"Simplify doorstep recycling."*

### **Youth**

- *"I believe the council are doing there best but there priories are not in the right place. There need to be more done for the younger generation and keeping the town centre a place to go - stop allowing shops to close et marks and Spencer's"*
- *"At times the town is beholden to a vociferous minority of an often older generation. Successful towns and cities are built upon a strong economy attracting young, vibrant, highly skilled people and their families to them. Not only do we need to encourage these types of business we need to be a town/city that those young people want to come and live in..."*

**Holistic** (mentioning and including other local stakeholders such as the police and ECC and/or the need for a more 'joined up approach' in general)

- *"It would be excellent if colchester could assume responsibility for our roads."*
- *"I would like to see a constant police force team all over the city and specifically in the town centre, like patrols. And also, make history more important in the town centre."*
- *"Break away from Essex county council. Stop having elections every year it's a waste of money & people are fed up of it"*

### **Roads/Cars/transport**

- *"Safe areas with less crime, cheaper public transport"*
- *"Potholes are everywhere"*
- *"I feel strongly that we need to look at the road network. The accessibility of the town centre is killing it and breaking our road network. We need a plan to seriously improve the state of the town centre."*

### **Doing Things Differently**

- *"Visit other successful towns. Question what happens in Colchester. Don't accept the same habits. Challenge everything"*
- *"I think the general idea is on right track, the execution needs to be improved, try to innovate and experiment with new projects"*
- *"The current council needs to start thinking outside the box. They don't work together but seem to want to promote their own individual priorities but don't reflect what most people want."*

**Other (Comments which are unable to be themed, 'other' infrastructure not included in 'road' theme)**

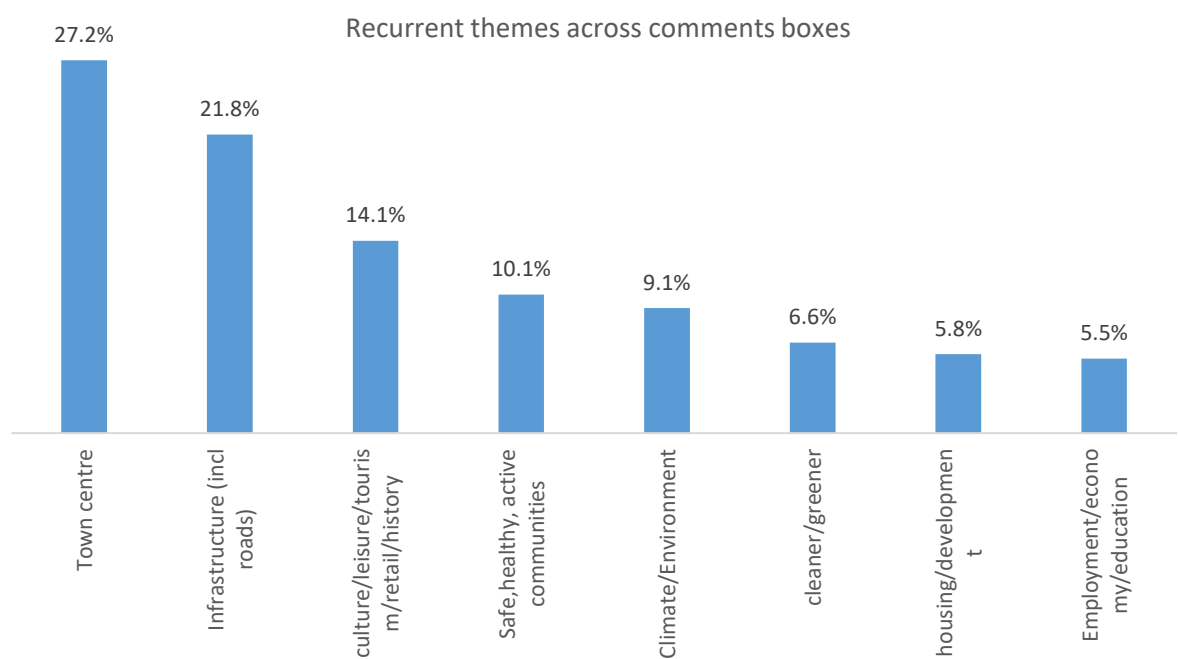
- *"Just fix things when broken, roads, barriers. Play areas fixed."*
- *"Another priority should be schools and catchment areas. More schools need to be built and catchment areas better governed. There is so much traffic every morning and afternoon caused by parents having to drive their children across town ...."*
- *"I think homelessness and begging should be prioritised a small it often seems that charities and church groups have to pick up this help for people."*

Final thoughts from member & councillors

Final thoughts from members and parish councillors 15 comments (random, verbatim and anonymous)
<i>"Ask the residents for THEIR priorities"</i>
<i>"Simplify them. Communicate more."</i>
<i>"Zone teams working in the community and with the community"</i>
<i>"Looks are everything, if the city looks smart, it looks prosperous and people will take a pride in it, visitor numbers will increase. Make Colchester easy to access by whatever means. At the moment the bus stops are confusing. We need to insist of high quality architectural design on all"</i>
<i>"I worry that the new found city status will see the council look towards 'vanity' projects, rather than creating the foundations on which to build from."</i>
<i>"Don't forget the rural parishes which often feel left out."</i>
<i>"I would like to see more autonomy for Parishes to manage local affairs"</i>

Recurrent themes across comment boxes

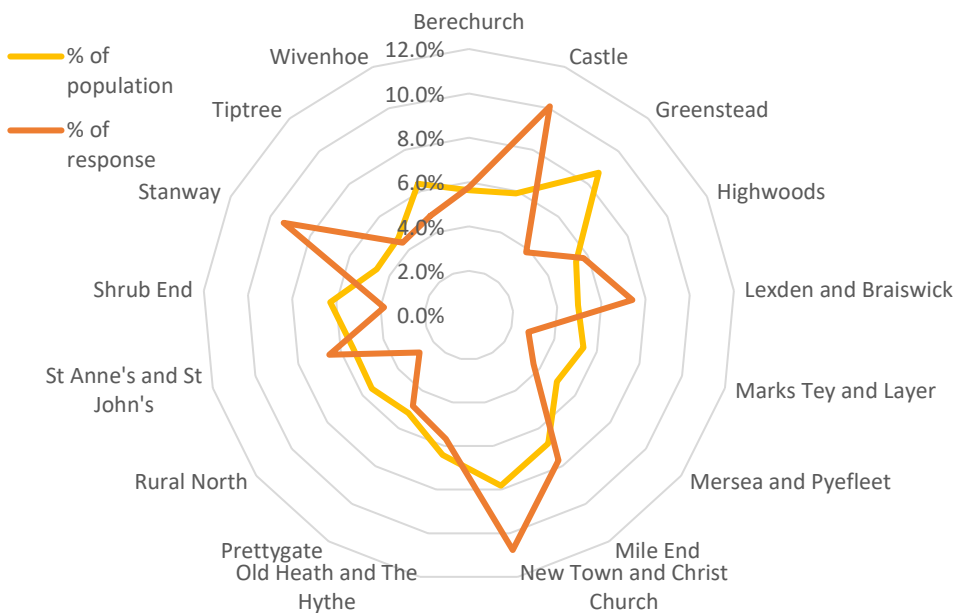
Overall, the town centre was mentioned most frequently. Across all open text boxes (totalling 3208 comments) the Town centre was mentioned by 27% of respondents (in 874 open text boxes). Other recurring themes included Infrastructure (incl roads); culture/leisure/tourism/retail/history; Safe, healthy, active communities; climate/environment; cleaner/greener; housing/development and employment/economy/education...



# Achieved sample of residents

## Respondents by ward

- There was some over representation in some wards (Stanway, Lexden & Braiswick, New Town & Christ church, and Castle)
- There was a underrepresentation in Greenstead, Mersea & Pyfleet and the Rural North.



## Respondents by Age and Gender

- Good representation in the 25 to 34 and 65+ age groups.
- More females (63%) than males responded to the survey.



## Respondents by Ethnicity and Disability

- 4.9% of survey respondents said they were of black or minority ethnic background, this is lower than the general population (12.5%). 8.7% preferred not to say.

	Respondents %	Population (2021 census) %
BAME	4.9%	13.0%
Prefer not to say	8.7%	
White British	86.4%	87.0%

- 12% of respondents said they considered themselves to have a disability.
- This is lower than the estimate for the Eastern region (23%)<sup>2</sup> but could be due to under reporting (those who do not consider their disability as such).

## Members & Councillors by ward

Members and councillors responded from a variety of wards to the member/councillor version of the survey. Wards with a higher number of respondents contain a higher number of parishes. E.g. the Rural north has 11 parishes.

Ward	%	Count
Berechurch	2.63%	1
Castle	2.63%	1
Greenstead	5.26%	2
Lexden & Braiswick	2.63%	1
Marks Tey and Layer	10.53%	4
Mersea and Pyefleet	2.63%	1
Mile End	7.89%	3
New Town and Christchurch	2.63%	1
Prettygate	5.26%	2
Rural North	21.05%	8
Shrub End	2.63%	1
St Anne's and St John's	2.63%	1
Stanway	2.63%	1
Tiptree	2.63%	1
Wivenhoe	5.26%	2
not given	18.42%	7
not known	2.63%	1
<b>Grand Total</b>	<b>100.00%</b>	<b>38</b>

<sup>2</sup> [Family Resources Survey: financial year 2020 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/family-resources-survey-financial-year-2020-to-2021)

## Appendices of tables

### Appendix 1 - I feel a sense of community in the area of Colchester

AGE	18-24	25-34	35-44	45-54	55-64	65+	PREFER NOT TO SAY	(BLANK)	GRAND TOTAL
STRONGLY DISAGREE	15%	6%	5%	6%	9%	9%	57%	40%	10%
DISAGREE	19%	20%	17%	21%	18%	24%	17%	20%	20%
NEITHER AGREE NOR DISAGREE	26%	24%	29%	28%	34%	27%	17%	20%	28%
AGREE	41%	44%	39%	36%	33%	33%	9%	20%	35%
STRONGLY AGREE	0%	7%	10%	8%	6%	7%	0%	0%	7%
DON'T KNOW	0%	0%	0%	1%	0%	0%	0%	0%	0%
GRAND TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

GENDER	Female	Male	Other Gender	Prefer Not To Say	(blank)	Grand Total
STRONGLY DISAGREE	6%	8%	0%	56%	17%	10%
DISAGREE	22%	18%	25%	12%	21%	20%
NEITHER AGREE NOR DISAGREE	27%	32%	0%	14%	17%	28%
AGREE	36%	36%	75%	16%	38%	35%
STRONGLY AGREE	8%	6%	0%	2%	8%	7%
DON'T KNOW	0%	0%	0%	0%	0%	0%
GRAND TOTAL	100%	100%	100%	100%	100%	100%

DISABILITY	No	Prefer Not To Say	Yes	didn't answer	Grand Total
STRONGLY DISAGREE	6%	35%	13%	16%	10%
DISAGREE	19%	22%	22%	21%	20%
NEITHER AGREE NOR DISAGREE	28%	24%	34%	24%	28%
AGREE	39%	20%	23%	31%	35%
STRONGLY AGREE	7%	0%	9%	7%	7%

DON'T KNOW	0%	0%	0%	1%	0%
GRAND TOTAL	100%	100%	100%	100%	100%

ETHNICITY	ASIAN OR ASIAN BRITISH	BLACK OR BLACK BRITISH	CHINESE	MIXED	OTHER ETHNIC GROUP	PREFER NOT TO SAY	WHITE	DIDN'T ANSWER	GRAND TOTAL
STRONGLY DISAGREE	5%	0%	0%	6%	0%	37%	7%	40%	10%
DISAGREE	5%	13%	0%	12%	40%	14%	21%	7%	20%
NEITHER AGREE NOR DISAGREE	37%	13%	80%	29%	20%	28%	27%	27%	28%
AGREE	37%	50%	20%	29%	40%	21%	37%	13%	35%
STRONGLY AGREE	16%	25%	0%	24%	0%	0%	7%	13%	7%
DON'T KNOW	0%	0%	0%	0%	0%	0%	0%	0%	0%
GRAND TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

I feel a sense of community in the area of  
Colchester

Age	18-24	25-34	35-44	45-54	55-64	65+	PREF ER NOT to Say	(bl an k)	Grand Total
Stro ngly Dis agr ee	15%	6%	5%	6%	9%	9%	57%	40%	10%
Disa gree	19%	20%	17%	21%	24%	24%	17%	20%	20%
Neit her Agr ee nor Dis	26%	24%	22%	22%	27%	27%	17%	20%	28%

agree										
Agree	41%	44%	39%	36%	33%	9%	20%	35%		
Strongly Agree	0%	7%	10%	8%	6%	7%	0%	0%	7%	
Don't Know	0%	0%	0%	1%	0%	0%	0%	0%	0%	
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Gender	Female	Male	Other Gender	Prefer Not To Say	(blank)	Grand Total				
Strongly Disagree	6%	8%	0%	56%	17%	10%				
Disagree	22%	18%	25%	12%	21%	20%				
Neither Agree nor Disagree	27%	32%	0%	14%	17%	28%				
Agree	36%	36%	75%	16%	38%	35%				
Strongly Agree	8%	6%	0%	2%	8%	7%				

Don't Know	0%	0%	0%	0%	0%	0%													
Grand Total				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
WARD	BERECHURCH	CASTLE	GREENSTEAD	HIGHWOODS	LEXDEN AND BRAISWICK	MARKS TEY AND LAYER	MERSEA AND PYEFLEET	MILE END	NEW TOWN AND CHRIST	OLD HEATH AND THE	PRETTYGATE	RURAL NORTH	SHRUB END	ST ANNE'S AND ST	STANWAY	TIPTREE	WIVENHOE	(BLANK)	GRAND TOTAL
STRONGLY DISAGREE	8%	4%	13%	10%	4%	7%	8%	5%	8%	10%	4%	0%	7%	10%	5%	9%	8%	49%	10%
DISAGREE	23%	15%	18%	25%	22%	17%	14%	18%	11%	27%	24%	41%	19%	33%	22%	13%	22%	16%	20%
NEITHER AGREE NOR DISAGREE	28%	21%	33%	37%	38%	31%	39%	29%	22%	14%	33%	24%	35%	15%	35%	29%	30%	14%	28%
AGREE	28%	45%	35%	25%	31%	38%	33%	38%	49%	34%	35%	24%	34%	33%	33%	47%	36%	20%	35%
STRONGLY AGREE	10%	14%	3%	3%	5%	7%	6%	10%	11%	15%	2%	10%	4%	8%	4%	2%	4%	1%	7%
DON'T KNOW	2%	0%	0%	0%	0%	0%	0%	1%	0%	0%	2%	0%	0%	3%	0%	0%	0%	0%	0%
GRAND TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

## Appendix 2 I enjoy living/working in Colchester

I ENJOY LIVING/WORKING IN COLCHESTER BY AGE	18-24	25-34	35-44	45-54	55-64	65+	PREFER NOT TO SAY	GRAND TOTAL
STRONGLY DISAGREE		4%	1%	2%	2%	4%	4%	3%
DISAGREE		11%	9%	8%	11%	10%	12%	10%
DON'T KNOW		0%	0%	0%	0%	0%	0%	0%
NEITHER AGREE NOR DISAGREE		15%	14%	14%	17%	17%	23%	20%
AGREE		52%	58%	52%	50%	47%	40%	48%
STRONGLY AGREE		19%	19%	24%	20%	22%	20%	20%



<b>GRAND TOTAL</b>	100%	100%	100%	100%	100%	100%	100%	100%
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<b>I ENJOY LIVING/WORKING IN COLCHESTER BY GENDER</b>	Female	Male	Other Gender	Prefer Not To Say	Grand Total
<b>STRONGLY DISAGREE</b>	2%	4%	0%	0%	3%
<b>DISAGREE</b>	10%	9%	0%	7%	10%
<b>DON'T KNOW</b>	0%	0%	0%	0%	0%
<b>NEITHER AGREE NOR DISAGREE</b>	17%	17%	0%	69%	20%
<b>AGREE</b>	49%	50%	75%	21%	48%
<b>STRONGLY AGREE</b>	21%	20%	25%	3%	20%
<b>GRAND TOTAL</b>	100%	100%	100%	100%	100%

<b>I ENJOY LIVING/WORKING IN COLCHESTER BY ETHNICITY</b>	Asian or Asian British	Black or Black British	Chinese	Mixed	Other Ethnic Group	Prefer Not To Say	White	Grand Total
<b>STRONGLY DISAGREE</b>	5%	0%	0%	0%	0%	2%	3%	3%
<b>DISAGREE</b>	11%	0%	20%	6%	20%	12%	10%	10%
<b>DON'T KNOW</b>	0%	0%	0%	0%	0%	0%	0%	0%
<b>NEITHER AGREE NOR DISAGREE</b>	16%	13%	20%	24%	20%	51%	16%	20%
<b>AGREE</b>	47%	50%	60%	41%	20%	31%	50%	48%
<b>STRONGLY AGREE</b>	21%	38%	0%	29%	40%	5%	21%	20%
<b>GRAND TOTAL</b>	100%	100%	100%	100%	100%	100%	100%	100%

<b>I ENJOY LIVING/WORKING IN COLCHESTER BY DISABILITY</b>	No	Prefer Not To Say	Yes	Grand Total
<b>STRONGLY DISAGREE</b>	3%	2%	3%	3%
<b>DISAGREE</b>	8%	11%	16%	9%
<b>DON'T KNOW</b>	0%	0%	0%	0%
<b>NEITHER AGREE NOR DISAGREE</b>	16%	47%	23%	19%
<b>AGREE</b>	51%	35%	43%	49%

<b>STRONGLY AGREE</b>	22%	5%	16%	20%														
<b>GRAND TOTAL</b>	100%	100%	100%	100%														
<b>I ENJOY LIVING/WORKING IN COLCHESTER BY WARD</b>	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Marks Tey and Layer	Mersea and Pyefleet	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettivate	Rural North	Shrub End	St Anne's and St John's	Stanway	Tiptree	Wivenhoe	Grand Total
<b>STRONGLY DISAGREE</b>	3%	2%	5%	3%	0%	7%	11%	1%	2%	5%	2%	3%	1%	3%	3%	2%	2%	3%
<b>DISAGREE</b>	8%	4%	8%	10%	9%	7%	14%	14%	9%	14%	4%	28%	6%	15%	1%	9%	10%	10%
<b>DON'T KNOW</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%
<b>NEITHER AGREE NOR DISAGREE</b>	20%	9%	23%	20%	18%	17%	25%	11%	17%	19%	8%	14%	19%	21%	1%	22%	24%	17%
<b>AGREE</b>	47%	50%	40%	50%	55%	52%	42%	55%	51%	39%	68%	38%	51%	38%	4%	53%	52%	50%
<b>STRONGLY AGREE</b>	22%	35%	25%	17%	18%	17%	8%	19%	21%	24%	16%	17%	22%	23%	2%	13%	12%	21%

### Appendix 3 I would recommend other people to live or work in Colchester

<b>I WOULD RECOMMEND OTHER PEOPLE TO LIVE OR WORK IN COLCHESTER BY AGE</b>	<b>18-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>65+</b>	<b>PREFER NOT TO SAY</b>	<b>GRAND TOTAL</b>
<b>STRONGLY DISAGREE</b>	18.5%	2.6%	5.0%	7.0%	9.7%	8.8%	56.6%	9.5%
<b>DISAGREE</b>	3.7%	13.9%	10.9%	15.0%	17.9%	20.5%	15.1%	15.2%
<b>NEITHER AGREE NOR DISAGREE</b>	37.0%	25.2%	23.8%	25.2%	22.7%	26.8%	9.4%	24.3%
<b>AGREE</b>	22.2%	43.7%	44.8%	41.6%	39.6%	32.7%	18.9%	39.0%
<b>STRONGLY AGREE</b>	18.5%	14.6%	15.5%	11.2%	10.1%	10.7%	0.0%	12.0%
<b>DON'T KNOW</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.1%

GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
I WOULD RECOMMEND OTHER PEOPLE TO LIVE OR WORK IN COLCHESTER BY GENDER	Female	Male	Other Gender	Prefer Not To Say	Grand Total			
STRONGLY DISAGREE	6.3%	7.5%	25.0%	51.7%	9.2%			
DISAGREE	15.4%	15.0%	0.0%	17.2%	15.3%			
NEITHER AGREE NOR DISAGREE	25.8%	23.4%	25.0%	13.8%	24.4%			
AGREE	38.9%	42.6%	50.0%	17.2%	38.9%			
STRONGLY AGREE	13.5%	11.1%	0.0%	0.0%	12.0%			
DON'T KNOW	0.0%	0.3%	0.0%	0.0%	0.1%			
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%			
I WOULD RECOMMEND OTHER PEOPLE TO LIVE OR WORK IN COLCHESTER BY ETHNICITY	Asian or Asian British	Black or Black British	Chinese	Mixed	Other Enthnic Group	Prefer Not To Say	White	Grand Total
STRONGLY DISAGREE	15.8%	0.0%	0.0%	5.9%	0.0%	37.2%	6.6%	9.3%
DISAGREE	15.8%	12.5%	40.0%	5.9%	40.0%	18.1%	14.8%	15.2%
NEITHER AGREE NOR DISAGREE	21.1%	12.5%	20.0%	17.6%	20.0%	19.1%	25.3%	24.4%
AGREE	31.6%	37.5%	40.0%	47.1%	20.0%	24.5%	40.6%	39.0%
STRONGLY AGREE	15.8%	37.5%	0.0%	23.5%	20.0%	1.1%	12.6%	12.0%
DON'T KNOW	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%

GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%										
I WOULD RECOMMEND OTHER PEOPLE TO LIVE OR WORK IN COLCHESTER BY DISABILITY	No	Prefer Not To Say	Yes	Grand Total															
STRONGLY DISAGREE	6.7%	33.9%	10.4%	8.7%															
DISAGREE	13.3%	19.6%	22.6%	14.7%															
NEITHER AGREE NOR DISAGREE	23.9%	23.2%	31.3%	24.7%															
AGREE	42.7%	23.2%	27.8%	39.8%															
STRONGLY AGREE	13.4%	0.0%	7.8%	11.9%															
DON'T KNOW	0.1%	0.0%	0.0%	0.1%															
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%															
I WOULD RECOMMEND OTHER PEOPLE TO LIVE OR WORK IN COLCHESTER BY WARD	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Marks Tey and Layer	Mersea and Pyefleet	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettygate	Rural North	Shrub End	St Anne's and St John's	Stanway	Tiptree	Wivenhoe	Grand Total	
STRONGLY DISAGREE	3.4%	2.9%	7.7%	8.3%	1.3%	10.3%	21.6%	5.1%	7.2%	8.5%	6.1%	10.3%	5.9%	12.5%	9.4%	4.4%	10.0%	7.1%	
DISAGREE	13.6%	10.7%	10.3%	15.0%	23.4%	6.9%	10.8%	8.9%	13.5%	25.4%	14.3%	31.0%	17.6%	17.5%	15.6%	15.6%	16.0%	15.3%	
NEITHER AGREE NOR DISAGREE	37.3%	20.4%	28.2%	28.3%	24.7%	31.0%	32.4%	21.5%	19.8%	16.9%	28.6%	6.9%	25.0%	15.0%	31.3%	28.9%	28.0%	24.9%	
AGREE	28.8%	45.6%	35.9%	31.7%	41.6%	44.8%	29.7%	49.4%	45.0%	33.9%	44.9%	37.9%	44.1%	45.0%	32.3%	46.7%	42.0%	40.4%	
STRONGLY AGREE	16.9%	20.4%	15.4%	16.7%	9.1%	6.9%	5.4%	15.2%	14.4%	15.3%	6.1%	13.8%	7.4%	10.0%	11.5%	4.4%	4.0%	12.2%	

<b>DON'T KNOW</b>	0.0%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
<b>GRAND TOTAL</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

I would recommend other people to live or work in Colchester by Central/urban wards															
	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettygate	Shrub End	St Anne's and St John's	Stanway	Wivenhoe	Grand Total	
Strongly Disagree	3.4%	2.9%	7.7%	8.3%	1.3%	5.1%	7.2%	8.5%	6.1%	5.9%	12.5%	9.4%	10.0%	6.4%	
Disagree	13.6%	10.7%	10.3%	15.0%	23.4%	8.9%	13.5%	25.4%	14.3%	17.6%	17.5%	15.6%	16.0%	15.3%	
Neither Agree nor Disagree	37.3%	20.4%	28.2%	28.3%	24.7%	21.5%	19.8%	16.9%	28.6%	25.0%	15.0%	31.3%	28.0%	24.7%	
Agree	28.8%	45.6%	35.9%	31.7%	41.6%	49.4%	45.0%	33.9%	44.9%	44.1%	45.0%	32.3%	42.0%	40.4%	
Strongly Agree	16.9%	20.4%	15.4%	16.7%	9.1%	15.2%	14.4%	15.3%	6.1%	7.4%	10.0%	11.5%	4.0%	13.0%	
Don't Know	0.0%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

I would recommend other people to live or work in Colchester by Rural/outer wards					
Row Labels	Marks Tey and Layer	Mersea and Pyefleet	Rural North	Tiptree	Grand Total
Strongly Disagree	10.3%	21.6%	10.3%	4.4%	11.4%
Disagree	6.9%	10.8%	31.0%	15.6%	15.7%
Neither Agree nor Disagree	31.0%	32.4%	6.9%	28.9%	25.7%
Agree	44.8%	29.7%	37.9%	46.7%	40.0%
Strongly Agree	6.9%	5.4%	13.8%	4.4%	7.1%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 4 - Priorities

### PRIORITY 1 BY AGE

	18-24	25-34	35-44	45-54	55-64	65+	Prefer Not to Say	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	19.2%	25.2%	41.0%	38.6%	35.3%	36.2%	12.2%	34.4%
THE CLIMATE CHALLENGE	23.1%	25.2%	29.7%	22.2%	21.2%	20.3%	6.1%	23.0%
CELEBRATING OUR HERITAGE AND CULTURE	7.7%	5.0%	6.8%	12.2%	10.9%	11.9%	63.3%	12.1%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	30.8%	20.9%	10.8%	9.0%	14.1%	14.1%	4.1%	13.3%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	19.2%	23.7%	11.7%	18.0%	18.5%	17.5%	14.3%	17.2%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

### PRIORITY 2 BY AGE

	18-24	25-34	35-44	45-54	55-64	65+	Prefer Not to Say	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	26.9%	35.3%	27.9%	28.0%	26.6%	30.5%	32.7%	29.4%
THE CLIMATE CHALLENGE	3.8%	15.8%	20.7%	13.2%	13.0%	18.1%	16.3%	16.0%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	34.6%	23.0%	29.3%	29.1%	20.7%	15.8%	36.7%	24.8%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	19.2%	15.8%	10.4%	18.0%	22.8%	21.5%	2.0%	16.7%
CELEBRATING OUR HERITAGE AND CULTURE	15.4%	10.1%	11.7%	11.6%	16.8%	14.1%	12.2%	13.0%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

### PRIORITY 1 BY GENDER

	Female	Male	Other Gender	Prefer Not To Say	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	36.8%	34.0%	25.0%	16.7%	34.8%

THE CLIMATE CHALLENGE	22.7%	24.8%	25.0%	11.1%	22.7%
CELEBRATING OUR HERITAGE AND CULTURE	8.9%	10.2%	0.0%	57.4%	12.0%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	14.3%	12.6%	25.0%	3.7%	13.2%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	17.3%	18.4%	25.0%	11.1%	17.3%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

#### PRIORITY 2 BY GENDER

	Female	Male	Other Gender	Prefer Not To Say	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	28.8%	29.3%	25.0%	33.3%	29.2%
THE CLIMATE CHALLENGE	16.7%	15.3%	25.0%	14.8%	16.2%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	25.4%	23.1%	50.0%	29.6%	25.1%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	16.7%	18.7%	0.0%	3.7%	16.5%
CELEBRATING OUR HERITAGE AND CULTURE	12.3%	13.6%	0.0%	18.5%	13.0%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

#### PRIORITY1 BY ETHNICITY

	Asian or Asian British	Black or Black British	Chinese	Mixed	Other Ethnic Group	Prefer Not To Say	White	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	52.9%	33.3%	66.7%	18.8%	40.0%	20.9%	35.8%	34.6%
THE CLIMATE CHALLENGE	11.8%	0.0%	0.0%	18.8%	20.0%	19.8%	24.1%	23.2%
CELEBRATING OUR HERITAGE AND CULTURE	5.9%	0.0%	0.0%	6.3%	20.0%	38.4%	9.1%	11.6%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	5.9%	16.7%	33.3%	12.5%	20.0%	7.0%	14.0%	13.3%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	23.5%	50.0%	0.0%	43.8%	0.0%	14.0%	17.0%	17.3%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

#### PRIORITY 2 BY ETHNICITY

	Asian or Asian British	Black or Black British	Chines e	Mixed	Other Ethnic Group	Prefer Not To Say	White	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	11.8%	33.3%	33.3%	37.5%	40.0%	33.7%	29.1%	29.4%
THE CLIMATE CHALLENGE	35.3%	16.7%	0.0%	18.8%	20.0%	8.1%	16.5%	16.1%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	35.3%	0.0%	33.3%	18.8%	0.0%	29.1%	24.6%	24.8%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	11.8%	50.0%	33.3%	6.3%	40.0%	10.5%	17.3%	16.8%
CELEBRATING OUR HERITAGE AND CULTURE	5.9%	0.0%	0.0%	18.8%	0.0%	18.6%	12.6%	12.9%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PRIORITY 2 BY DISABILITY								
	No	Prefer Not To Say	Yes	Grand Total				
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	36.2%	18.5%	31.1%	34.4%				
THE CLIMATE CHALLENGE	23.3%	20.4%	18.9%	22.6%				
CELEBRATING OUR HERITAGE AND CULTURE	9.3%	38.9%	12.3%	11.5%				
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	13.3%	9.3%	20.8%	13.9%				
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	17.9%	13.0%	17.0%	17.5%				
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%				
PRIORITY 2 BY DISABILITY								
	No	Prefer Not To Say	Yes	Grand Total				
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	28.8%	29.6%	34.0%	29.5%				
THE CLIMATE CHALLENGE	16.5%	14.8%	17.0%	16.5%				
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	24.6%	25.9%	18.9%	24.0%				
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	16.5%	13.0%	21.7%	16.9%				
CELEBRATING OUR HERITAGE AND CULTURE	13.6%	16.7%	8.5%	13.1%				
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%				



PRIORITY1 BY WARD	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Marks Tey and Layer	Mersea and Pyefleet	Mile End	New Town and Christchurch	Old Heath and The Bottom	Prettygate	Rural North	Shrub End	St Anne's and St John's	Stanway	Tipree	Wivenhoe	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	34.6%	30.4%	40.5%	39.6%	31.9%	40.7%	26.5%	37.1%	32.3%	26.9%	41.3%	22.2%	37.3%	47.2%	38.1%	49.1%	36.1%	36.1%
THE CLIMATE CHALLENGE	11.5%	25.0%	13.5%	24.5%	25.0%	29.6%	35.3%	25.7%	26.0%	19.2%	19.6%	29.6%	25.4%	16.7%	21.1%	27.1%	28.1%	24.1%
CELEBRATING OUR HERITAGE AND CULTURE	11.5%	8.7%	8.1%	7.5%	6.9%	11.1%	11.8%	11.4%	9.4%	5.8%	10.9%	14.8%	8.5%	8.3%	12.1%	2.1%	13.1%	9.1%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	15.4%	19.6%	21.6%	15.1%	13.9%	7.4%	14.7%	4.3%	17.7%	23.1%	8.7%	11.1%	13.6%	13.9%	12.1%	10.1%	11.1%	14.1%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	26.9%	16.3%	16.2%	13.2%	22.2%	11.1%	11.8%	21.4%	14.6%	25.0%	19.6%	22.1%	15.3%	13.1%	17.1%	12.1%	13.1%	17.1%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PRIORITY2 BY WARD	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Marks Tey and Layer	Mersea and Pyefleet	Mile End	New Town and Christchurch	Old Heath and The Bottom	Prettygate	Rural North	Shrub End	St Anne's and St John's	Stanway	Tipree	Wivenhoe	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	28.8%	29.3%	35.1%	24.5%	29.2%	25.9%	32.4%	34.3%	29.2%	28.8%	17.4%	37.0%	30.5%	36.1%	33.1%	22.1%	28.1%	29.1%
THE CLIMATE CHALLENGE	13.5%	12.0%	5.4%	20.8%	12.5%	40.7%	14.7%	24.3%	19.8%	15.4%	13.0%	14.8%	15.3%	16.7%	13.1%	17.1%	17.1%	16.1%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	28.8%	20.7%	27.0%	26.4%	30.6%	7.4%	32.4%	18.6%	14.6%	23.1%	30.6%	37.0%	16.9%	19.4%	26.1%	27.1%	34.1%	24.1%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	17.3%	16.3%	29.7%	20.8%	11.1%	7.4%	17.6%	12.9%	14.6%	19.2%	23.9%	7.4%	15.3%	16.7%	21.1%	27.1%	17.1%	17.1%
CELEBRATING OUR HERITAGE AND CULTURE	11.5%	21.7%	2.7%	7.5%	16.7%	18.5%	2.9%	10.0%	21.9%	13.5%	15.2%	3.7%	22.0%	11.1%	8.1%	7.1%	4.1%	13.1%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

PRIORITY 1 BY CENTRAL/URBAN														
	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettygate	Shrub End	St Anne's and St John's	Stanway	Wivenhoe	Grand Total
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	34.6%	30.4%	40.5%	39.6%	31.9%	37.1%	32.3%	26.9%	41.3 %	37.3 %	47. 2%	38. 4%	36. 2%	35. 6%
THE CLIMATE CHALLENGE	11.5%	25.0%	13.5%	24.5%	25.0%	25.7%	26.0%	19.2%	19.6 %	25.4 %	16. 7%	20. 9%	27. 7%	22. 4%
CELEBRATING OUR HERITAGE AND CULTURE	11.5%	8.7%	8.1%	7.5%	6.9%	11.4%	9.4%	5.8%	10.9 %	8.5%	8.3 %	11. 6%	12. 8%	9.4 %
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	15.4%	19.6%	21.6%	15.1%	13.9%	4.3%	17.7%	23.1%	8.7%	13.6 %	13. 9%	11. 6%	10. 6%	14. 5%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	26.9%	16.3%	16.2%	13.2%	22.2%	21.4%	14.6%	25.0%	19.6 %	15.3 %	13. 9%	17. 4%	12. 8%	18. 0%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100. 0%	100. 0%	100 .0%	100 .0%	100 .0%	100 .0%
PRIORITY 1 BY RURAL/OUTSKIRTS														
	Marks Tey and Layer	Mersea and Pyefleet	Rural North	Tiptree	Grand Total									
CELEBRATING OUR HERITAGE AND CULTURE	11.1%	11.8%	14.8%	2.4%	9.3%									
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	40.7%	26.5%	22.2%	48.8%	35.7%									
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	7.4%	14.7%	11.1%	9.8%	10.9%									
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	11.1%	11.8%	22.2%	12.2%	14.0%									
THE CLIMATE CHALLENGE	29.6%	35.3%	29.6%	26.8%	30.2%									
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%									

PRIORITY 2 BY CENTRAL/URBAN														
	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettygate	Shrub End	St Anne's and St John's	Stanway	Wivenhoe	Grand Total
CELEBRATING OUR HERITAGE AND CULTURE	11.5%	21.7%	2.7%	7.5%	16.7%	10.0%	21.9%	13.5%	15.2 %	22.0 %	11. 1%	8.1 %	4.3 %	13. 9%
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	28.8%	29.3%	35.1%	24.5%	29.2%	34.3%	29.2%	28.8%	17.4 %	30.5 %	36. 1%	32. 6%	27. 7%	29. 6%
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	17.3%	16.3%	29.7%	20.8%	11.1%	12.9%	14.6%	19.2%	23.9 %	15.3 %	16. 7%	20. 9%	17. 0%	17. 4%
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	28.8%	20.7%	27.0%	26.4%	30.6%	18.6%	14.6%	23.1%	30.4 %	16.9 %	19. 4%	25. 6%	34. 0%	23. 6%
THE CLIMATE CHALLENGE	13.5%	12.0%	5.4%	20.8%	12.5%	24.3%	19.8%	15.4%	13.0 %	15.3 %	16. 7%	12. 8%	17. 0%	15. 5%
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100. 0%	100. 0%	100 .0%	100 .0%	100 .0%	100 .0%
PRIORITY 2 BY RURAL/OUTSKIRTS														
	Marks Tey and Layer	Merssea and Pyefleet	Rural North	Tiptree	Grand Total									
CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES	25.9%	32.4%	37.0%	22.0%	28.7%									
THE CLIMATE CHALLENGE	40.7%	14.7%	14.8%	17.1%	20.9%									
GROWING A FAIR ECONOMY SO EVERYONE BENEFITS	7.4%	32.4%	37.0%	26.8%	26.4%									
DELIVERING HOMES FOR PEOPLE WHO NEED THEM	7.4%	17.6%	7.4%	26.8%	16.3%									
CELEBRATING OUR HERITAGE AND CULTURE	18.5%	2.9%	3.7%	7.3%	7.8%									
GRAND TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%									

## Appendix 5 – Budget spend

### Budget spend ranked 1 or 2

<b>Age</b>	18-24	25-34	35-44	45-54	55-64	65+	Prefer Not to Say	Grand Total
ARTS AND TOURISM	7%	9%	5%	6%	10%	9%	16%	8%
BUILDING MAINTENANCE	30%	24%	26%	27%	33%	37%	12%	28%
COMMUNITY INITIATIVES	11%	15%	13%	16%	12%	10%	2%	13%
CORPORATE FUNCTIONS	0%	1%	0%	1%	2%	1%	0%	1%
ENVIRONMENT	78%	83%	87%	88%	88%	92%	43%	85%
MUSEUMS	11%	10%	6%	8%	8%	8%	8%	8%
PARKS AND OPEN SPACES	30%	47%	48%	38%	41%	35%	69%	43%
SPORT AND LEISURE	15%	4%	6%	9%	3%	2%	8%	6%
SPORTS AND PLAYING FIELDS	19%	6%	7%	6%	4%	6%	41%	8%
<b>Gender</b>	Female	Male	Other Gender	Prefer Not To Say				
ARTS AND TOURISM	7%	10%	0%	14%				
BUILDING MAINTENANCE	29%	32%	0%	7%				
COMMUNITY INITIATIVES	15%	8%	50%	9%				
CORPORATE FUNCTIONS	1%	1%	0%	0%				
ENVIRONMENT	88%	87%	75%	47%				
MUSEUMS	7%	10%	25%	7%				
PARKS AND OPEN SPACES	44%	36%	50%	75%				
SPORT AND LEISURE	4%	7%	0%	5%				

SPORTS AND PLAYING FIELDS	5%	9%	0%	35%				
	200%	200%	200%	200%				
<b>Ethnicity</b>	Asian or Asian British	Black or Black Britis h	Chinese	Mixed	Other Enthic Group	Prefer Not To Say	White	Grand Total
ARTS AND TOURISM	14%	20%	0%	7%	20%	11%	7%	8%
BUILDING MAINTENANC E	36%	60%	50%	20%	0%	13%	30%	29 %
COMMUNITY INITIATIVES	7%	0%	0%	40%	20%	10%	13%	13 %
CORPORATE FUNCTIONS	0%	20%	0%	0%	0%	0%	1%	1%
ENVIRONMEN T	79%	100%	75%	87%	100%	62%	88%	86 %
MUSEUMS	0%	0%	25%	0%	0%	12%	8%	8%
PARKS AND OPEN SPACES	36%	0%	50%	33%	20%	62%	41%	43 %
SPORT AND LEISURE	7%	0%	0%	7%	20%	6%	5%	5%
SPORTS AND PLAYING FIELDS	21%	0%	0%	7%	20%	24%	6%	8%
<b>Disability</b>	No	Prefe r Not To Say	Yes	Grand Total				
ARTS AND TOURISM	8%	15%	8%	8%				
BUILDING MAINTENANC E	29%	27%	32%	29%				
COMMUNITY INITIATIVES	11%	5%	23%	12%				
CORPORATE FUNCTIONS	1%	0%	0%	1%				
ENVIRONMEN T	87%	64%	88%	86%				
MUSEUMS	7%	9%	11%	8%				

PARKS AND OPEN SPACES	43%	55%	38%	43%													
SPORT AND LEISURE	6%	2%	2%	5%													
SPORTS AND PLAYING FIELDS	8%	24%	0%	8%													
<b>Ward</b>	Berechurch	Castle	Greenstead	Highwoods	Lexden and Braiswick	Marks Tey and Layer	Mersea and Pyefleet	Mile End	New Town and Christ Church	Old Heath and The Hythe	Prettygate	Rural North	Shrub End	St Anne's and St John's	Stanway	Tiptree	Wivenhoe
ARTS AND TOURISM	6%	15%	5%	2%	9%	7%	9%	4%	9%	11%	15%	4%	7%	3%	5%	2%	11%
BUILDING MAINTENANCE	39%	29%	41%	31%	26%	25%	34%	36%	32%	29%	17%	33%	20%	27%	32%	32%	18%
COMMUNITY INITIATIVES	4%	6%	14%	7%	22%	14%	14%	16%	12%	18%	17%	19%	10%	11%	9%	17%	18%
CORPORATE FUNCTIONS	0%	1%	0%	0%	0%	0%	3%	0%	1%	4%	0%	0%	0%	0%	1%	2%	2%
ENVIRONMENT	85%	88%	86%	95%	86%	82%	83%	88%	89%	77%	85%	89%	88%	89%	88%	98%	84%
MUSEUMS	7%	14%	11%	9%	6%	11%	6%	8%	6%	9%	4%	15%	12%	19%	1%	2%	7%
PARKS AND OPEN SPACES	43%	41%	24%	53%	41%	39%	31%	37%	42%	43%	47%	30%	47%	49%	50%	34%	47%
SPORT AND LEISURE	7%	1%	8%	0%	4%	7%	9%	7%	5%	5%	9%	4%	8%	3%	5%	10%	7%
SPORTS AND PLAYING FIELDS	9%	4%	11%	4%	7%	14%	11%	4%	4%	5%	6%	7%	7%	0%	10%	2%	7%

## Colchester Borough Council

### Equality Impact Assessment Form - An Analysis of the Effects on Equality

#### Section 1: Initial Equality Impact Assessment

*Name of policy to be assessed:*

- Colchester's Strategic Plan 2023-26.

*1. What is the main purpose of the policy?*

- This plan sets out the direction and future potential for our borough. As a Council we have an ambitious range of priorities and goals.
- The Strategic Plan 2023-26 sets the framework for the Council's three-year Medium Term Financial Forecast and its Capital Programme.
- These priorities are kept under review to ensure they remain relevant and take account of changing needs and issues locally, as well as the changing legislative, financial and policy context for local government.

*2. What main areas or activities does it cover?*

- All Council areas and activities.

*3. Are there changes to an existing policy being considered in this assessment? If so what are they?*

- This is will update the Council's policy framework.

*4. Who are the main audience, users or customers who will be affected by the policy?*

- All residents, customers, businesses and partners
- Visitors to the borough.

*5. What outcomes do you want to achieve from the policy?*

- Colchester has a rich heritage and an ambitious future. The Strategic Plan 2020-23 sets out five key themes to build on this, and the outcomes will be based on achieving these themes, which are:
- Develop modern services for a modern city
- Respond to the climate emergency
- Tackle health, well-being and happiness
- Deliver homes for those most in need
- Grow our city's economy so everyone benefits
- Celebrate our city and our heritage and culture

The Strategic Plan will have a delivery plan which will set out the specific actions needed to achieve this.

*6. Are other service areas or partner agencies involved in delivery? If so, please give details below:*

- All Council services
- Colchester Borough Homes
- Colchester Commercial Holdings Ltd - parent company to Colchester Amphora Trading, Colchester Amphora Homes and Colchester Amphora Energy
- Town and Parish Councils
- Partners in the public, private, community, voluntary and education sectors
- Businesses
- Employers
- Essex borough/district councils
- Essex County Council
- Essex Police
- Essex County Fire and Rescue Service
- NHS
- North Essex Garden Communities
- Government departments and agencies.



*7. Are you aware of any relevant information, data, surveys or consultations which help us to assess the likely or actual impact of the policy upon customers or staff?*

The Strategic Plan is informed by a range of relevant information, data, surveys or consultations including:

[Census data](#), [ONS data sources](#), [Essex Open Data](#), [Public Health Profiles](#), [indices of deprivation](#), [Colchester Joint Strategic Needs Assessment \(JSNA\) profile 2019](#).

We have also used the wide range of research and statistics which are shown on the Council's website [here](#) (or follow the pathway [www.colchester.gov.uk/Our Council>Local Research and Statistics>Colchester Statistics or >Census](http://www.colchester.gov.uk/Our%20Council%20Local%20Research%20and%20Statistics%20Colchester%20Statistics%20or%20Census)) which include [key statistics for Colchester](#).

This longer term view is important in ensuring that the Strategic Plan takes due account of future needs such as population growth and diversity.

We also referred to the results of a recent consultation shown here.

As priorities are developed, so the objectives and outcomes will be shared and views sought, from potential partners, key stakeholders, councillors and the public. To deliver these shared priorities, the contribution of local stakeholders and other agencies will be particularly important where the Council must work with others and where their help and contributions may be sought.

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>1</sup> and those who do not<sup>2</sup>
- (c) foster good relations between people who share a protected characteristic and those who do not.<sup>3</sup>

*Where applicable, explain how this policy helps us to meet the 'general duty':*

The Strategic Plan's broad themes, priorities and goals will all play their part in helping to further or facilitate our 'general duty'.

- The Strategic Plan is a key part of setting the direction and future potential for our City, with its themes providing support in achieving this aim. In summary:
  - Living in welcoming, tolerant and diverse communities helps to eliminate unlawful discrimination, harassment and victimisation.
  - Living in a thriving and prosperous place helps to advance equality of opportunity for everyone in fulfilling their potential.
  - Encouraging communities to meet and interact helps people to know and understand each other better, and it can support joint working on practical solutions.

A positive encouragement towards helping individuals, families and communities to flourish in the borough whatever their circumstances has been a key part of the Council's Strategic Plans since their introduction in 2002. This is backed by:

- The "Tackle health, well-being, and happiness and " theme, and its priority to "Tackle the causes of inequality and support our most vulnerable
- The "Deliver homes for those most in need theme", and its priorities to "Increase the number and quality and types of homes and Meet our duty to prevent or assist those facing homelessness"
- The "Grow our city's economy so everyone benefits" theme

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<sup>1</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

<sup>2</sup> This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

<sup>3</sup> This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

9. This section helps us to identify any disproportionate impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Age	Older people (60+)	√	<p>The Strategic Plan is designed to work with and influence people in showing tolerance and in changing behaviours, to enable and create better local communities and better understanding.</p> <p>A welcoming and supportive borough will benefit all residents, whatever their personal circumstances or protected characteristics.</p>	None identified	See 10. below
	Younger people (17-25) and children (0-16)				
Disability	Physical				
	Sensory				
	Learning				
	Mental health issues				
	Other – <i>specify</i>				
Ethnicity <sup>4</sup>	White				
	Black				
	Chinese				
	Mixed Ethnic Origin				
	Gypsies/ Travellers				
	Other – <i>please state</i>				
Language	English not first language		As "Age" above.		

<sup>4</sup> National Census 2011 categories are: Bangladeshi, Indian, Pakistani, Other Asian (Asian or Asian British), African, Caribbean, Other Black (Black or Black British), White and Black African, White and Asian, White and Black Caribbean (Mixed), British, Irish, Other White (White), Chinese, Other (Other Ethnic Group).

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks		It aims to address the increasing population – the borough's growth must be matched with opportunities for jobs, homes, infrastructure and community life, now and in the future.		
Religion or Belief	People with a religious belief (or none)	√	<p>The Strategic Plan is designed to work with and influence people in showing tolerance and in changing behaviours, to enable and create better local communities and better understanding.</p> <p>This includes tackling anti-social behaviour such as sexual harassment.</p>	√	
Sex	Men				
	Women				
Gender Reassignment <sup>5</sup>	Transgender/ Transsexual				
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian				
Marriage and Civil Partnership	People who are married or in a civil partnership				

10. If you have identified any negative impacts (above) how can they be minimised or removed?

- Not applicable. The Strategic Plan is an “overarching vision” for the borough. Individual policies and practices will support its implementation, and equality impact assessments will be part of this process. Negative impacts are more likely to be identified at that point – when the detail of implementation is being assessed. Any such negative impacts can then be considered to see how they can be minimised or removed.

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<sup>5</sup> The protected characteristic of gender reassignment is defined by the Equality Act 2010 as “a person proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex.” This is a personal process that may involve medical interventions such as counselling, psychotherapy, hormone therapy or surgery, but does not have to. NB: It is generally held that transgender people disguise their features or clothing to resemble their preferred sex, whereas transsexual people wish to change their body to completely resemble their preferred sex.

11. Could the policy discriminate<sup>6</sup> against any 'protected characteristic', either directly or indirectly<sup>7</sup>?

- No.

## Summary and findings of Initial Equality Impact Assessment

12. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
<b>No negative impacts have been identified</b> <input checked="" type="checkbox"/>	<b>Sign off screening and finish.</b>
Negative impacts have been identified but have been minimised or removed <input type="checkbox"/>	Sign off screening and finish.
Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
There is insufficient evidence to make a judgement. <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

13. Name and job title of person completing this form:

- Richard Block, Chief Operating Officer.

14. Date of completion:

- January 2023

15. Date for update or review of this screening:

- Not applicable – EQIAs are undertaken on a three-year basis, and that matches the 'life' of this Strategic Plan 2020-23. It will however be reviewed if circumstances demand.

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<sup>6</sup> The Council has a general duty to 'eliminate unlawful discrimination, harassment and victimisation'. Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their 'protected characteristic' whether on grounds of age, disability, pregnancy and maternity, ethnicity; religion or belief; sex (gender), sexual orientation, or marriage and civil partnership. Indirect discrimination occurs when an apparently neutral provision or practice would nevertheless disadvantage people on the grounds of their 'protected characteristic'.





# Cabinet

25 January 2023

Item  
**8(i)**

<b>Report of</b>	<b>Head of Finance and Srction 151 Officer</b>	<b>Author</b>	<b>Paul Cook</b> ☎ 505861 <b>Darren Brown</b> ☎ 282891
<b>Title</b>	<b>Budget 2023/24 and Medium-Term Financial Forecast 2023/24 to 2027/28</b>		
<b>Wards affected</b>	All		

## 1 Executive Summary

- 1.1 The report recommends the 2023/24 budget and Medium Term Financial Forecast 2023/24 to 2027/28.

## 2 Recommended Decision

- 2.1 To approve the 2023/24 Revenue Budget and revised Medium Term Financial Forecast as set out Appendix A.
- 2.2 To note the Local Government Act 2003 Section 25 budget resilience statement and forecast level of balances set out in Appendix B.
- 2.3 To approve the Treasury Management Strategy Statement 2023/24 to 2027/28 as set out in Appendix C
- 2.4 To recommend to Council the 2023/24 revenue budget requirement of £25.285m
- 2.5 To recommend to Council Colchester's element of the Council Tax at £211.59 per Band D property being an increase of £6.12.
- 2.6 To approve £400k capital grant funding from the Right to Buy retained receipts reserve as set out in Section 10.7 of this report.

## 3 Reason for Recommended Decision

- 3.1 To balance the 2023/24 budget and revise the Medium Term Financial Forecast.

## 4 Alternative Options

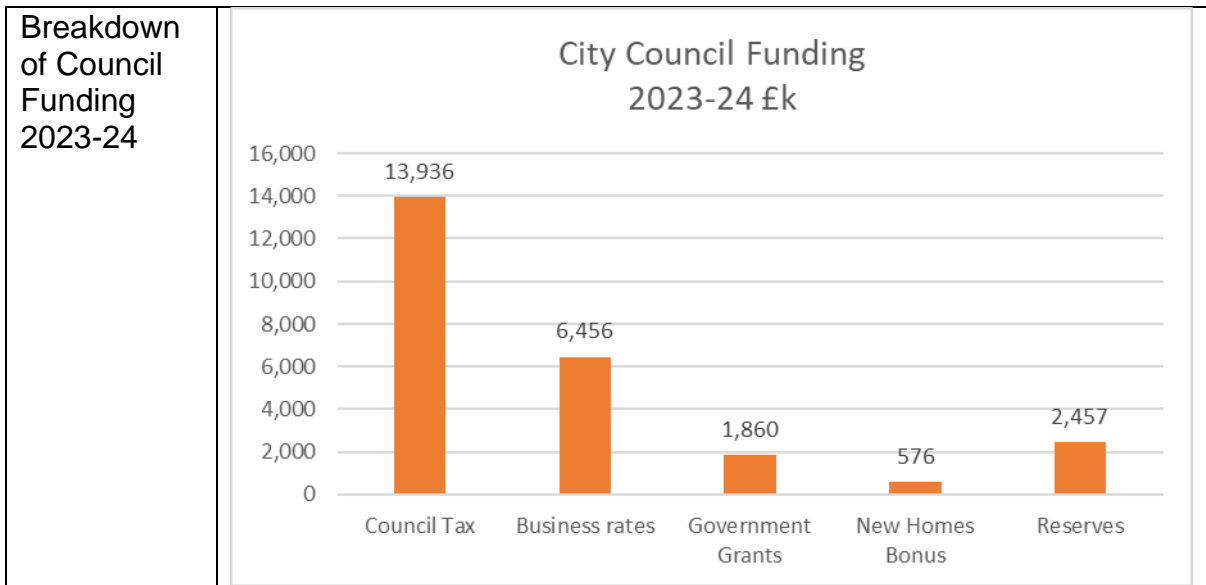
- 4.1 None.

## 5 Summary of Council Funding

- 5.1 The table sets out a summary of the normal funding of Council services. This sets the budget recommendations in context.

Revenue	These are running costs and income, including salaries, supplies and services and sales fees and charges.
Capital	One-off investment in land and buildings, plant and equipment.
Housing Revenue Account	Council houses and flats. It is ringfenced and self-financing for both revenue and capital.
General Fund	Non-Housing Revenue Account services accounted for in the General Fund such as waste collection, museums, sport and leisure, democratic services for example.
The 23/24 Budget	General Fund Revenue financial plan for next year 2023/24.
Medium Term Financial Forecast	Our financial plan for the next five years on General Fund or Medium Term Financial Forecast.
Net Budget requirement	A technical budget setting calculation the Council must make in accordance with complex rules set by the Government. Running costs, sales fees and charges and grants for individual services.
Net Budget	Circa £21.9m (excluding North Essex Parking Partnership). £86.6m costs less £64.7m income, as set out in Appendix E.
Government funding	Since 2012 funding comes mainly from retained business rates.
Business rates	We collect about £50m a year of which we expect to retain around £6.5m in 2023/24. Business rates are set nationally.
Council tax	We collect the council tax, most of which relates to Essex County Council services. Of £130m+ we expect to retain £13.936m in 2023/24. The district council tax will be increased by just under £6.12p per annum in 2023/24. This is the maximum increase without needing approval in a local referendum.
Collection Fund	Business rates and council tax are accounted for in a separate collection fund. This is used to distribute total income to the government, county council and police and fire as well as our own requirements. Also used to share surpluses or deficits compared to budget. This is a complex calculation over a number of financial years. The business rates reserve is used to smooth the impact of changes from year to year.



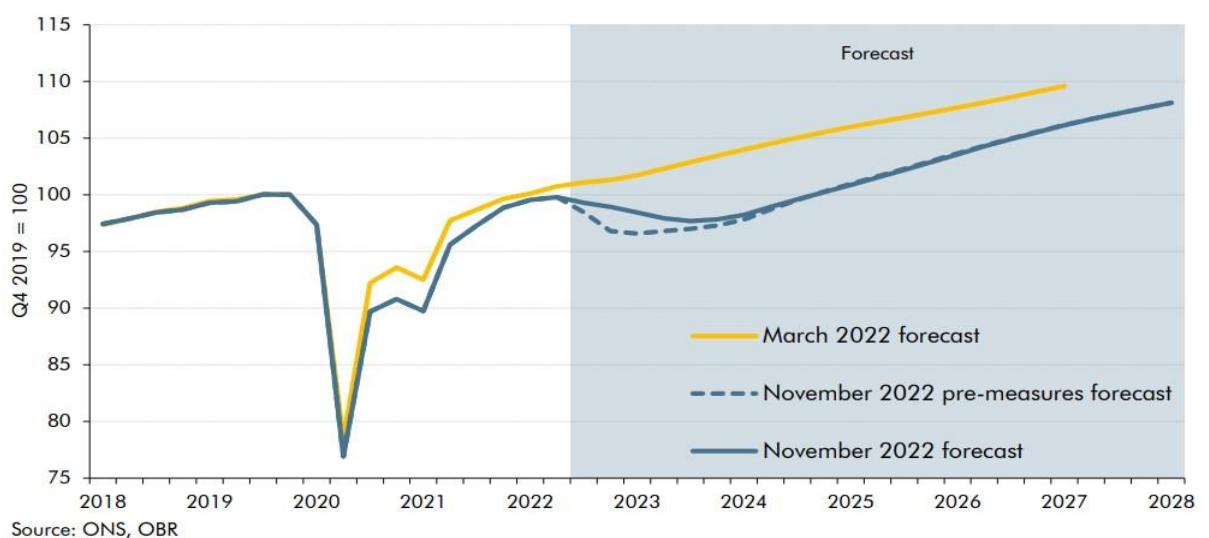


## 6 Macro-economic context December 2022

- 6.1 Inflation is the dominant consideration in setting the 2023/24 budget. Interest rates are also an important factor both for new City Council borrowing and for investment income. City Council spending and income from sales, fees and charges are likely to be influenced by the general level of economic activity.
- 6.2 Economic forecasts by the Office of Budget Responsibility are set out in the charts below. The charts demonstrate the considerable negative impacts of the 2022 Autumn mini budget.

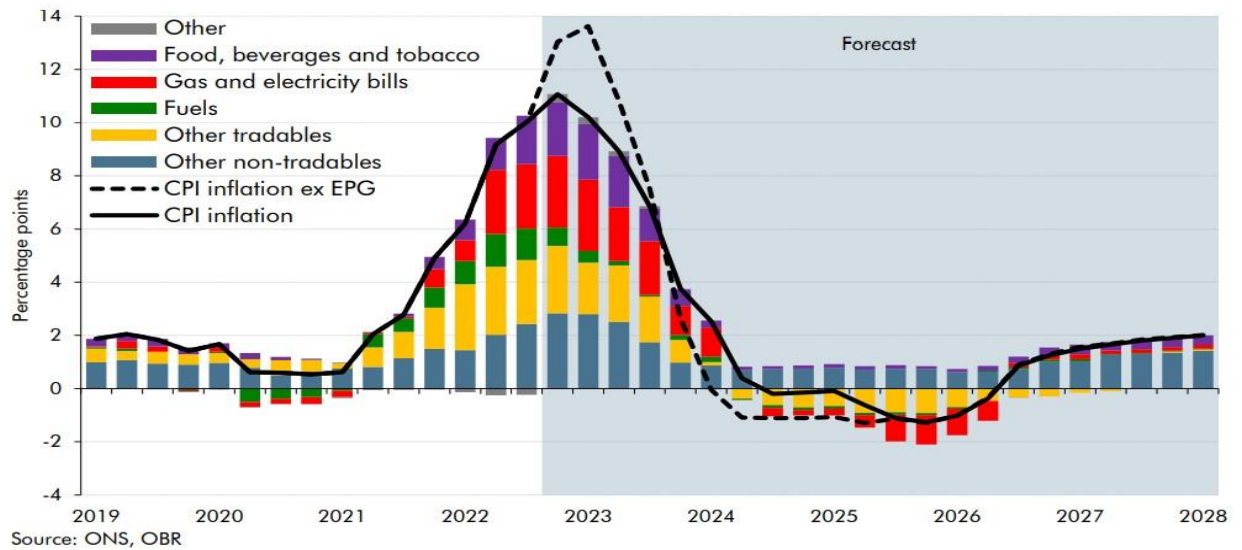
# OBR GDP Forecasts Nov 22

Chart 1: Real GDP



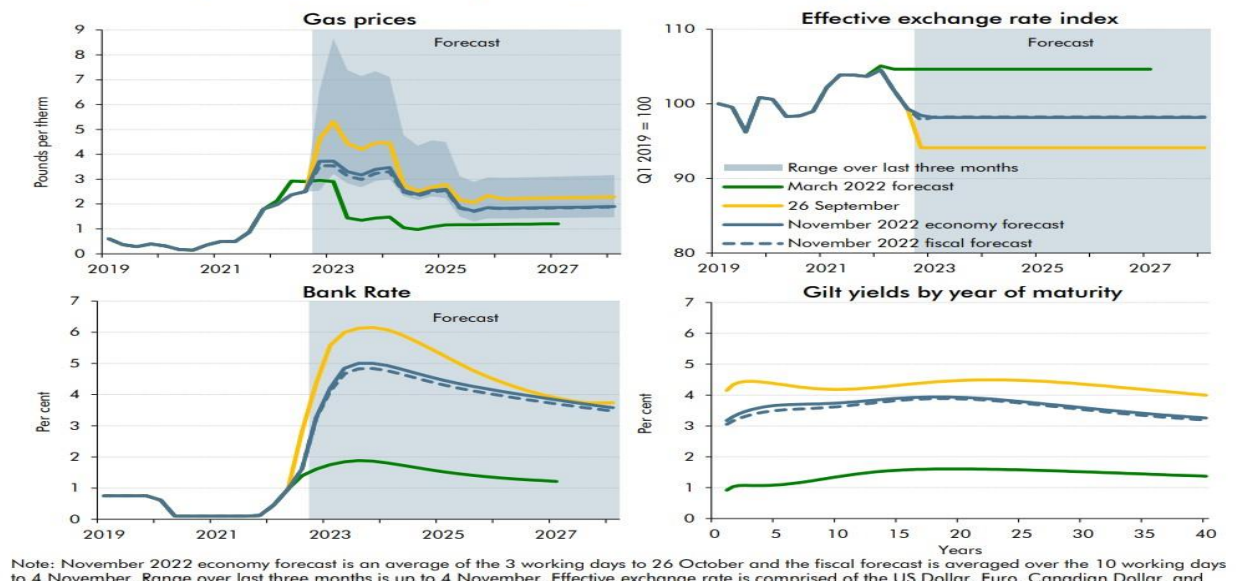
# OBR CPI Forecast Nov 22

Chart 4: Contributions to CPI inflation



# OBR Gas £ Bank Rate Gilts Nov 22

Chart 3: Gas prices, the exchange rate, Bank Rate and gilt yields



## 7 The Council's Budget Setting Strategy

- 7.1 The inflation and supply chain pressures arising from the pandemic were evident by Spring 2022, as well as the risk they might be compounded by the war in Ukraine and disruptions to trade and global oil and gas supplies. With inflation rising by some 11%, we recognised resident spending power would be reduced, impacting our income. And with council tax capped at an increase of 3%, and limited other help from Government, we faced a large and widening budget gap. An acute cost-of-living crisis for local government made more difficult by

short lived Government budget changes and consequential hikes in borrowing costs.

7.2 In these unprecedented circumstances Colchester City Council took immediate action to relieve in year and likely 2023/24 and future year budget pressures. These included:

- **Income generation** – A new model for the mid-year and annual review of fees and charges; a review of commercial activities for Colchester Museums and Castle Park; reviews of possible future year garden waste collection and recycling containers/bags services and possible charges (like many other councils), and a review of and support to the Council's Colchester Commercial Holdings Ltd.
- **Transforming services** – Senior Management Team redesign; a new and more efficient service model for Sport and Leisure and Colchester Museums; a new recycling and waste strategy; a review of non-statutory neighbourhood services; more efficient digital payment, booking and telephone systems; consolidation of some housing services and work with partners to deliver community initiatives with their support.
- **Savings** – Reducing energy costs and customer service centre operating hours, a recruitment freeze for non-essential posts; a reduction in overtime budgets and spend; offering staff temporary reduced working hours and looking for efficiencies and better ways of working, working with staff and partners.

7.3 Three principles guided the Council's approach.

- Long term financial stability must be secured.
- Statutory and other key services that deliver against the Strategic Plan and that residents value most must be preserved, including help to those most at risk from the cost-of-living crisis.
- That the best decisions are made by working with others, with those most affected, including partners and our staff, and with all political parties. This is informed by independent best practice advice, such as from the Local Government Association Peer Challenge.

7.4 The Council has also sought to ensure a closer match between resources and the Council's Strategic Plan, which subject to full Council approval has been adjusted to ensure it is affordable and realisable, whilst addressing the key challenges of our time, including the climate emergency and our environment and quality of life.

7.5 The Council whilst responding to budget pressures recognise it is right to invest where that brings commercial and or social benefits. To include the administration's May 22 priorities of help to those most in need and affected by the cost-of-living crisis, and our environment. To support young people and acknowledge our voluntary sector and to respond to opportunities as they arise, like City status. And to progress master planning for the City Centre working with Essex County Council, to ensure Colchester remains a great place to live work and visit.

7.6 Risk and volatility were addressed throughout the budget setting process by working up three scenarios each with different assumptions, macro-economic and Council specific, modelling and testing and taking a central case to assumptions set out in Section 8 of this report and in Appendix A.

7.7 The Budget reflects the priorities in the Council's Strategic Plan, **Modern Services for a Modern City** set out elsewhere on this agenda.

- Respond to the climate emergency
- Deliver Modern Services for a Modern City
- Improve health, well-being, and happiness
- Deliver homes for those most in need
- Grow our economy so everyone benefits
- Celebrate our city and our heritage and culture

## 8 **Pay, Energy and Inflation**

8.1 Employee costs are the biggest element of Council expenditure. In December 2022 the City Council agreed to increase the 2022/23 local pay award by

- Backdating the October 2022 Real Living Wage increase to April 2022.
- Paying all staff on lower grades a minimum £1,925 increase from April 2022

8.2 The 2023/24 Budget provides for the revised 2022/23 pay award and a further 4% increase. This is a total provision for pay inflation of £1,996k.

8.3 The Medium Term Financial Forecast then assumes 3% for increased pay in 2024/25 and 2% in each financial year thereafter.

8.4 The City Council is a large energy user and expects to experience greatly increased costs in 2023/24.

8.5 The 2023/24 Budget provides an additional £1,533k for energy costs in 2023/24.

8.6 There is no additional provision for energy inflation in 24/25 and the budget is expected to reduce in £500k annual steps thereafter.

8.7 £1,004k is provided for other inflation in 23/24.

## 9 **Provisional 2023/24 Local Government Finance Settlement**

9.1 The Provisional Local Government Finance Settlement was published 19 December 2022. The consultation closed 16 January 2023. [Provisional local government finance settlement: England, 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/provisional-local-government-finance-settlement-2023-to-2024)

9.2 The settlement is mainly for 2023/24 financial year only, but there are some commitments into 2024/25 (see below). In particular the Core Spending Power Guarantee is for 2023/24 only. It would not be prudent to assume 2023/24 funding levels will apply in 2024/25.

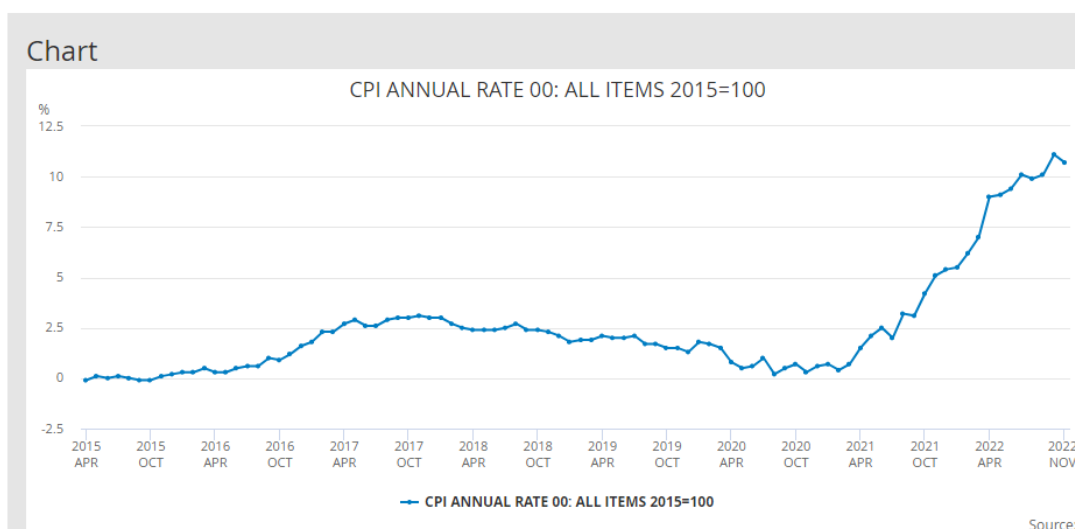
9.3 The provisional settlement guarantees the City Council a 3% increase in Core Spending Power compared to 2022/23. The comparison between the two years is set out in the table. The Core Spending Power 3% guarantee is made with the Consumer Price Index having increased by 10.7% in the year to November 2022. Bank rate was increased to 3.5% from 14 December 2022. The Core Spending

Power 3% guarantee only applies to 2023/24, there is no commitment into 2024/25.

Element	2022/23	2023/24
	£ millions	£ millions
Settlement Funding Assessment	4.328	4.693
Compensation for under-indexing the business rates multiplier	0.442	0.765
Council Tax Requirement excluding parish precepts	13.300	13.850
New Homes Bonus	1.954	0.576
Lower Tier Services Grant	0.198	0.000
Services Grant	0.298	0.168
Grants rolled in	0.204	0.000
Funding Guarantee	0.000	1.692
<b>Core Spending Power</b>	<b>20.724</b>	<b>21.744</b>

9.4 The table below shows Core Spending Power changes since 2015-16. These are cash figures. From April 2015 to November 2022 CPI rates in the second table demonstrate the loss of spending power in real terms.

CORE SPENDING POWER									
Please select authority									
Colchester									
Illustrative Core Spending Power of Local Government:									
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment	7.2	5.9	5.0	4.4	4.3	4.3	4.3	4.3	4.7
Compensation for under-indexing the business rates multiplier	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.4	0.8
Council Tax Requirement excluding parish precepts <sup>1</sup>	10.4	10.6	11.0	11.5	12.1	12.5	12.6	13.3	13.8
Improved Better Care Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Homes Bonus	4.6	5.7	4.8	3.4	3.4	3.6	2.4	2.0	0.6
New Homes Bonus returned funding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rural Services Delivery Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transition Grant	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Adult Social Care Support Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Winter Pressures Grant <sup>2</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Social Care Support Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Social Care Grant <sup>3</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Market Sustainability and Fair Cost of Care Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ASC Market Sustainability and Improvement Fund <sup>4</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lower Tier Services Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.2	0.0
ASC Discharge Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Services Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.2
Grants rolled in	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0
Funding Guarantee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7
<b>Core Spending Power</b>	<b>22.5</b>	<b>22.6</b>	<b>21.1</b>	<b>19.6</b>	<b>20.1</b>	<b>20.8</b>	<b>20.4</b>	<b>20.7</b>	<b>21.7</b>
Change since 2015-16 (£ millions)									-0.8
Change since 2015-16 (% change)									-3.5%
<sup>1</sup> This calculation assumes council tax flexibilities of 3% for fire authorities, 2% for the GLA, and £10 for GLA's police element. The Government intends to provide flexibilities of £5 for fire authorities, £23.55 for the GLA's non-police precept, and £15 for GLA's police element; this will be reflected in the Final Settlement. <sup>2</sup> From 2020-21, Winter Pressures Grant allocations were rolled into the Improved Better Care Fund, and no longer ringfenced for alleviating winter pressures. <sup>3</sup> From 2020-21, Social Care Support Grant allocations were rolled into the Social Care Grant. <sup>4</sup> From 2023-24, Market Sustainability and Fair Cost of Care Fund allocations were rolled into the ASC Market Sustainability and Improvement Fund. Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Spending Power. The figures presented in Core Spending Power do not reflect the changes to Settlement Funding Assessment made for authorities with increased Business Rate Retention arrangements. For information about authorities with increased Business Rates Retention Arrangements see the Explanatory Note. For Settlement Funding Assessment figures									



- 9.5 The business rates multiplier is frozen for 2023/24. This will save the City Council around £160k as a business rates payer. The reduction in collection fund income will be compensated by government grants.
- 9.6 The maximum increase without a referendum for the district element of the council tax has been reset. This will be £5 or 3% whichever is the higher (previously £5 or 2% in 2022/23.)
- 9.7 Services Grant allocations have been reduced to reflect the withdrawal of planned increases in employer national insurance contributions. (Was £298k in 2022/23, will be £168k in 2023/24.)
- 9.8 The 2023/24 New Homes Bonus of £576k is a single year settlement with no legacy payments in future years. However New Homes Bonus is part of Core Spending Power guarantee calculations. The City Council has therefore been compensated in 2023/24 for loss of New Homes Bonus compared to 2022/23. It should be noted that the Core Spending Power Guarantee applies to 2023/24 only. It would be imprudent to assume this level of funding is available in 2024/25.
- 9.9 Government has asked local government to look to reserves to meet the funding situation. The City Council is planning to do so, and reserve calculations are set out elsewhere in this report.
- 9.10 Business Rates Pools will continue to operate in 2023/24 and 2024/25. The City Council has already confirmed its membership of the Essex Business Rates Pool.
- 9.11 The long planned national review of relative needs and resources has been deferred until the next Parliament.
- 9.12 In 2024/25 a new funding stream will be available to waste collection authorities. Extended Producer Responsibility for Packaging is a new levy on packaging producers. Around £1.2BN nationally will be redistributed to collection authorities. Government plans to review lower tier funding accordingly; further details are awaited.

## **10 The City Council's Budget**

- 10.1 The City Council's net budget requirement is calculated from the gross cost of services less sales fees and charges and some government grants. The net budget requirement is broadly equivalent to the Council's core spending power.
- 10.2 As described at Section 7 of this report the City Council has continued to take a progressive approach to spending priorities with investment to support to those most in need, whilst pursuing cost reduction, service transformation and efficiencies.
- 10.3 The City Council has allowed £10.028m for cost pressures and growth items in 2023/24. Some of the main items being;
- Inflation allowance (including fuel and utilities) - £4.533m
  - Waste service - £864k
  - Pension 3-year deficit payment - £836k
  - Minimum Revenue Provision and Interest - £731k
  - March 2022 pension actuarial review - £550k
- 10.4 To help balance its budget, the City Council has made savings of £4.661m for 2023/24, and an additional £3.050m in 2024/25.
- 10.5 To balance the budget taking account of income changes, and savings and cost growth pressures, as above, the City Council has also made an appropriate one-off use of reserves to a value of £1.7m. A full statement on reserves is provided in Appendix G.
- 10.6 Other issues include the City Council's review of its Capital Programme. Pending completion, the 2023/24 budget assumes the funding costs previously agreed in setting the 2022/23 budget. The 2023/24 capital programme and capital strategy will be reported in Q1 of 2023/24.
- 10.7 Provision is being made in the capital programme to provide £400k of grant funding to an Almshouse Charity for redevelopment within Colchester, providing additional units of affordable accommodation. This will make the development financially viable and will fund the additional 6 homes that have been added to this site. For information, current scheme costs for the Charity of this development are predicted to be around £3.3million. The £400k City Council funding will come from the Council's Retained Right-to-buy receipts reserve and therefore will not have any revenue implications on the City Council's capital financing budget.
- 10.8 £1.4m of the core spending power funding guarantee grant for 23/24 provides one-off funding as set out in Appendix D5. It will be used to support and enable transformation and change bringing benefits for the longer term.
- 10.9 The 2023/24 budget and Medium Term Financial Forecast allow for the financing costs of the provisional Capital Programme.
- 10.10 The City Council has reviewed most sales fees and charges and made necessary increases. This is unavoidable given the need to finance essential services.

Sales, fees and charges were agreed by November 2022 Cabinet, and will be updated regularly during the financial year ahead.

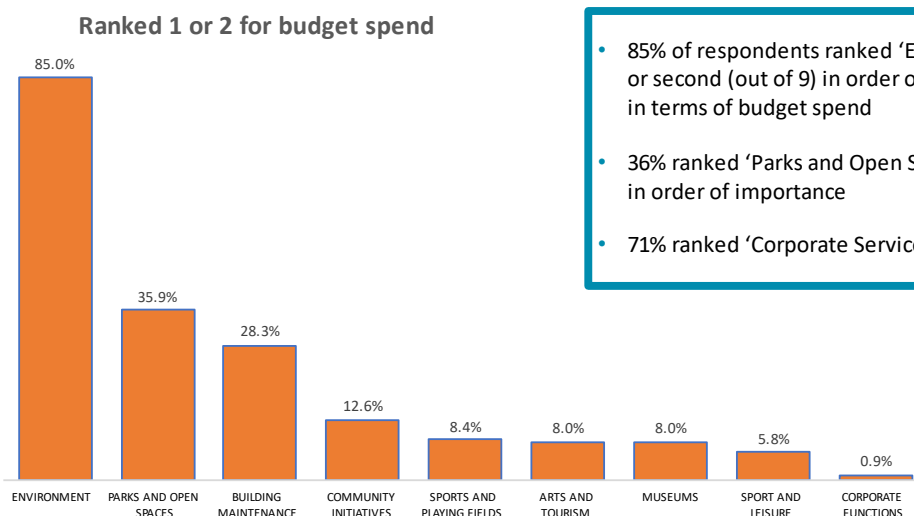
- 10.11 The 2023/24 budget assumes a £6.12 Colchester council tax increase and the Medium Term Financial Forecast assumes the same increase is made in future financial years. This is the maximum permissible increase under referendum rules.
- 10.12 A 99% council tax collection rate is assumed. The approved Local Council Tax Support Scheme is reflected in the council tax base. Growth in the council tax base is assumed to be 1% per annum.
- 10.13 The Medium Term Financial Forecast also assumes £200k of the gain from the Council's membership of the Essex Business Rates Pool.
- 10.14 The Medium Term Financial Forecast and the assumptions used are set out in Appendix A to this report.
- 10.15 To take forward the Budget and Medium Term Financial Forecast a programme of continuing and radical transformation will be required.

## **11 Medium Term Financial Forecast Consultation**

- 11.1 The budget strategy and timetable have ensured that information is available for Scrutiny Panel and input from all Members.
- 11.2 Budget workshops were held on 6 October 2022 and 14 December 2022 so that all members could share in the task of meeting the budget challenge. Budget Alumni meetings were held 20 October 2022 and 6 December 2022.
- 11.3 The Leader of the Opposition is also able at any stage of the budget process to meet with officers to assist with his understanding of the budget and the consideration of any alternative budget proposals.
- 11.4 The statutory consultation with business ratepayers will take place on 21 February 2023. The results of the consultation will be reported to the Scrutiny Panel and the Cabinet.
- 11.5 Other budget consultation on the Strategic Plan is set out in a report elsewhere on this agenda.
- 11.6 The results of external consultation on the City Council's Strategy are summarised in the chart below. These priorities have been reflected in the Council's Budget Strategy and the expenditure on services shown in appendix F.



# Budget priorities



- 85% of respondents ranked 'Environment' either first or second (out of 9) in order of importance to them in terms of budget spend
- 36% ranked 'Parks and Open Spaces' first or second in order of importance
- 71% ranked 'Corporate Services' 8th or 9th (out of 9)

## 12 Risk Management Implications

- 12.1 The 2023-24 Budget reflects current assumptions but will be subject to rigorous monitoring during the 2024-24 financial year.
- 12.2 Modelling has been undertaken with service managers to assess the potential range of impacts before adopting the assumptions described within the report.

## 13 Financial implications

- 13.1 As set out in the report.
- 13.2 No changes are necessary to the 2020 Financial Regulations.

## 14 Climate Emergency and Environment

- 14.1 All budget measures are assessed for their likely environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is an essential cross-cutting theme in the Council's recovery planning and a core theme of the new Strategic Plan.

## 15 Equality and Diversity Implications

- 15.1 Consideration will be given to equality and diversity issues in respect of budget changes proposed as part of the budget process. This will be done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

## 16 Other Standard References

- 16.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

## Appendices

<b>A</b>	<b>2023-28 Medium Term Financial Forecast and Assumptions</b>
<b>B</b>	<b>Budget Robustness Statement</b>
<b>C</b>	<b>Treasury Management Strategy Statement</b>
<b>D</b>	<b>Technical reconciliations of budget requirement 2023/24</b>
<b>E</b>	<b>Summary Budget 2023/24</b>
<b>F</b>	<b>2023/24 General Fund Budgets</b>
<b>G</b>	<b>Reserves, Provisions and Balances</b>
<b>H</b>	<b>Allocation of New Homes Bonus</b>
<b>J</b>	<b>Transformation Savings</b>

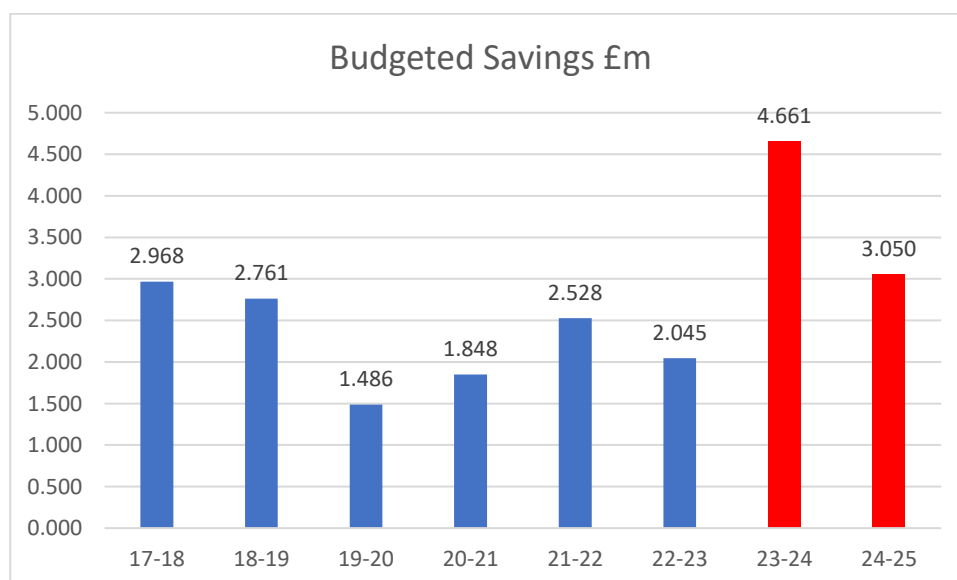
## Appendix A – 2023-28 Medium Term Financial Forecast and Assumptions

2023/24 Budget and Medium Term Financial Forecast	23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
<b>Previous year's budget</b>	<b>21,875</b>	<b>25,285</b>	<b>21,958</b>	<b>21,432</b>	<b>22,332</b>
One-off Items	(1,179)	(836)	0	0	0
Cost pressures and growth items	9,297	400	200	1,400	1,550
Capital financing	731	385	(276)	(300)	(303)
Income losses	0	(200)	(200)	(200)	0
Savings	(4,661)	(3,050)	(250)	0	0
Use of new homes bonus for one-off investment	(778)	(26)	0	0	0
<b>Current year's budget</b>	<b>25,285</b>	<b>21,958</b>	<b>21,432</b>	<b>22,332</b>	<b>23,579</b>
Business rates	(6,456)	(6,003)	(5,550)	(5,098)	(4,646)
Government Grant	(1,860)	0	0	0	0
New Homes Bonus	(576)	(550)	(550)	(550)	(550)
Council Tax	(13,936)	(14,483)	(15,039)	(15,604)	(16,182)
Previously planned use of reserves	(757)	79	79	79	279
One-off use of reserves	(1,700)	(200)	(200)	0	0
<b>Budget Gap Cumulative</b>	<b>0</b>	<b>801</b>	<b>172</b>	<b>1,159</b>	<b>2,480</b>

<b>Medium Term Financial Forecast Assumptions</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
Council Tax collection	99%	99%	99%	99%	99%
Growth in council tax base	1.0%	1.0%	1.0%	1.0%	1.0%
District council tax increase	£6.12	£6.12	£6.12	£6.12	£6.12

## Appendix B – Budget Robustness Statement

- 1 In 2022/23 the City Council is expected to overspend the approved budget by a net £392k. The main factors in the overspend are
  - overspending in the Environment Service
  - reflects increased interest earning on City Council investments.
- 2 A decision was subsequently made in December 2022 to increase the previously agreed pay award (£700k)
- 3 The City Council will need to monitor 2023/24 spending diligently and take prompt management action to avoid overspends. Medium Term Financial Forecasts assume the planned budget in 2023/24 is delivered. Particular attention will need to be given to:
  - The delivery of new savings within agreed timescales
  - More effective monitoring of dividends and other income from Council companies
- 4 The value of new savings planned for 2023/24 and 2024/25 is higher than the level of savings achieved in recent financial years (see red bars on the below chart). Whilst the Council is making every effort to transform its services to achieve a balanced and sustainable budget in the longer term the planned level of savings is a very demanding target. The delivery of planned savings will therefore need to be monitored quarterly with immediate effect. Any significant adverse variation from savings plans will necessitate corrective action if the City Council is to deliver these high value savings targets.



- 5 The Council's capital programme is currently under review. The Medium Term Financial Forecast budgets for minimum revenue provision and net general fund interest are those of 2022/23 budget setting. Any additional borrowing commitments following the capital programme review will require to be fully funded.
- 6 The development of Colchester Northern Gateway is a major undertaking bearing significant financial risks. Given economic and business changes following Covid

ongoing financial appraisal of the project is being undertaken to ensure the risks and rewards remain appropriate given the size of the Council's net budget.

- 7 The Council will need to carefully monitor the impact of inflation during 2023/24 in both pay and other areas.
- 8 The Council's existing borrowing is largely in long maturity borrowing at fixed rates. New borrowing in 2023/24 and 2024/25 will likely be at higher rates than experienced for some years. Increasing short term interest rates may lead to additional investment income. Given heightened levels of interest rate risk the Council will monitor its Treasury activity and prudential indicators more frequently (quarterly) from 2023/24 onwards.
- 9 The Council has a good record of delivering agreed savings. The 2023/24 savings proposals were developed by the Transformation Board and assessed by the Finance Business Partners.
- 10 The Council has in place revenue and capital monitoring processes enabling it to take corrective action in the event of unexpected budget variations. The Council has demonstrated sound finance and performance monitoring processes in past financial years. Recent and forthcoming changes to senior management roles have necessitated a restatement of budget responsibilities. The S151 Officer and the Chief Executive must monitor that these new budget requirements are being fulfilled.
- 11 The Council is relying on £1.700m use of balances to deliver its core services in 2023/24. Given the exceptional situation locally and nationally this is appropriate.
- 12 The budget process allows for the review of budget proposals by the Scrutiny Panel and this has applied to the 2023/24 proposals.
- 13 The Council's use of resources judgment by BDO in the 2019/20 audit was satisfactory, following an assessment of the Council's approach. The 2020/21 use of resources judgment is not available due to external audit delays
- 14 There is an effective risk management process in place in the Council.
- 15 The 2023/24 Provisional Local Government Finance Settlement was more favourable than expected. However, there are significant financial risks for 2024/25 onwards as 2023/24 was a one-year settlement. The level of savings committed into 2024/25 demonstrates the City Council is essential to offset potential government funding losses in that financial year. Losses are likely to include the removal of the Core Spending Power guarantee, and this is reflected in the Medium Term Financial Forecast.
- 16 The Chartered Institute of Public Finance and Accountancy resilience index has yet to be updated.
- 17 In order to maintain financial planning, monitoring and accounting at a robust level given all the risks and changes outlined above, the Finance resource and capacity within the City Council needs to be maintained and any additional accounting requirements appropriately resourced. An additional capital accounting business

partner has been added and recruited to in 2022/23, and two long vacant Finance Specialist posts were also filled. The staffing position in Finance needs to be carefully monitored in 2023/24 for the impact of any vacancies and any new and additional accounting requirements.

- 18 It appears therefore that the 2023/24 budget and Medium Term Financial Forecast are robust and the reserves and balances adequate as set out in the succeeding tables. However, the impact of pay, energy costs and interest rates will require careful monitoring in 2023/24 in order to identify and manage down any financial risks.

## Appendix C

### **Treasury Management Strategy Statement Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2023/24**

#### **1 Introduction**

- 1.1 Statement includes the Minimum Revenue Provision Policy Statement and Annual Investment Strategy.
- 1.2 The City Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Treasury management ensures that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the City Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.3 The second main function of treasury management is funding the City Council's Capital Programme. These capital plans provide a guide to the borrowing need of the City Council. This longer-term cash flow planning ensures that the City Council can meet its capital spending obligations. The management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any existing debt may be restructured to manage City Council risks and costs.
- 1.4 The contribution that treasury management makes to the City Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. Treasury management balances the interest costs of debt and the investment income arising from cash deposits. Since cash balances primarily result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will result in a loss to the General Fund.
- 1.5 Loans to third parties will impact on the treasury function. These activities are classed as non-treasury activities arising from capital expenditure and are separate from day-to-day treasury management activities.
- 1.6 The Chartered Institute of Public Finance and Accountancy Code defines treasury management as:

The management of the local authority's borrowing, investments and 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.

- 1.7 Local authorities are required to adopt a Capital Strategy to provide focus on long term capital investment plans. The Council's capital programme is currently under review. The Capital Strategy for 2023-24 will be reported in Q1 of 2023-24. Transparent reporting for non-treasury investments including loans to third parties and the purchase of investment properties or commercial activity is required under the Localism Act 2011.

### **Reporting requirements**

- 1.8 Following the adoption of the Treasury Management Strategy Statement by Budget Council, Governance and Audit Committee will receive quarterly updates and an outturn report.

### **Prudential and Treasury Indicators and Treasury Strategy**

- 1.9 The 2023/24 Treasury Management Strategy Statement is recommended to Budget Council by 25 January 2023 Cabinet. The 24 January 2023 Scrutiny Panel also considers the recommended strategy as part of its review of the Budget. The Treasury Management Strategy Statement covers:
- Capital plans (including prudential indicators)
  - Minimum Revenue Provision Policy (how residual capital expenditure is charged to revenue over time)
  - Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators
  - Investment strategy (the parameters within which investments are to be managed).
- 1.10 Quarterly Treasury Management reports to Governance and Audit Committee update on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
- 1.11 The annual Treasury Report after the financial year end to Governance and Audit Committee reports actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### **Training**

- 1.12 The Chartered Institute of Public Finance and Accountancy Code requires the Head of Finance and Section 151 Officer to ensure that Members with responsibility for treasury management or scrutiny receive adequate training in treasury management. Training is provided in one or more presentations to members by the City Council's Treasury Advisers Link Asset Management. Training for councillors will take place on 30 January 2023. Training dates for 2023/24 will be notified when the Municipal Calendar is set. The training needs of treasury management officers are periodically reviewed.



## Treasury Management Strategy for 2023/24

1.13 The Treasury Management Strategy for 2023/24 covers two main areas:

Content of Treasury Management Strategy	
Capital	Prudential Code prudential indicators <ul style="list-style-type: none"> <li>• Estimates of Capital Expenditure (2.2)</li> <li>• Actual Capital Expenditure (2.2)</li> <li>• Estimates of Capital Financing Requirement (2.5)</li> <li>• Actual Capital Financing Requirement (2.5)</li> <li>• Authorised Limit (5.7)</li> <li>• Operational Boundary (5.5)</li> <li>• Actual external debt (5.7)</li> <li>• Gross debt and capital financing requirement (5.4)</li> <li>• Financing costs as a % of net revenue stream (3.8)</li> <li>• Estimates of net income from commercial and service investments as a % of net revenue stream (3.9)</li> <li>• Actual net income from commercial and service investments as a % of net revenue stream (3.9)</li> </ul>
	Treasury Management Code prudential indicators <ul style="list-style-type: none"> <li>• Liability Benchmark (2.6)</li> <li>• Maturity Structure of Borrowing (5.12)</li> <li>• Long-term treasury management investments (the City Council has none.)</li> </ul> Treasury Management Code locally determined prudential indicators <ul style="list-style-type: none"> <li>• Interest Rate exposures (5.11 to 5.15)</li> <li>• Credit Risk (See 6 for Annual Investment Strategy)</li> <li>• Price Risk (See 6 for Annual Investment Strategy)</li> </ul>
	minimum revenue provision policy
Treasury management	current treasury position
	treasury indicators which limit the treasury risk and activities of the Council
	prospects for interest rates
	borrowing strategy
	policy on borrowing in advance of need
	debt rescheduling
	investment strategy
	creditworthiness policy
	policy on use of external service providers

1.14 These elements cover the requirements of the Local Government Act 2003; The Chartered Institute of Public Finance and Accountancy Prudential Code; The Department of Levelling-Up Minimum Revenue Provision Guidance; The Chartered Institute of Public Finance and Accountancy Code Treasury Management Code; and Department of Levelling-Up, Housing and Communities Investment Guidance.

## Treasury management consultants

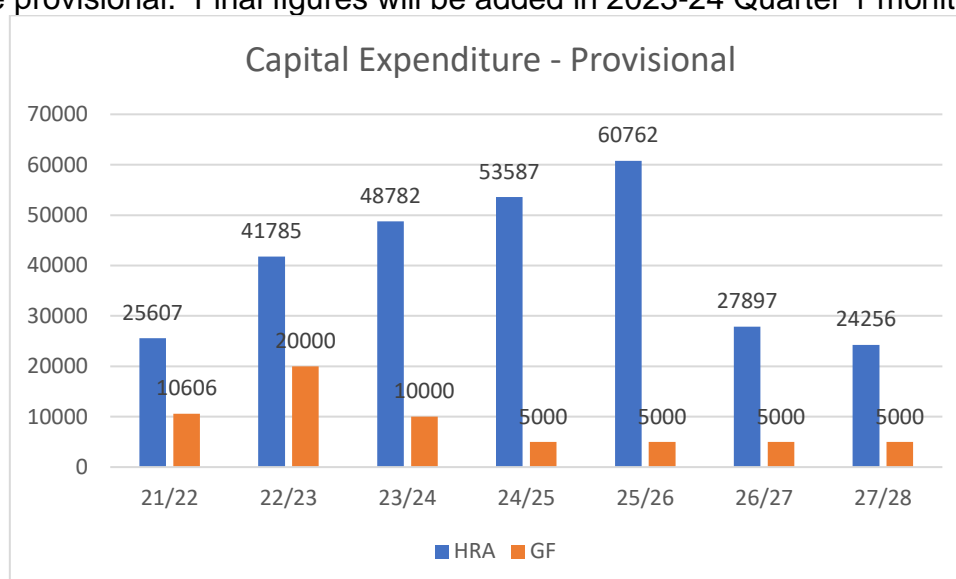
- 1.15 The City Council uses Link Asset Services as its external treasury management advisors.
- 1.16 Responsibility for treasury management decisions remains with the Council and undue reliance is not placed upon external advisors. Decisions use available information including external advice.

## 2 The Capital Prudential Indicators 2021/22 – 2027/28

- 2.1 The City Council's capital expenditure plans are the key driver of treasury. The output of the capital expenditure plan is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### Capital expenditure

- 2.2 This prudential Indicator is a summary of the City Council's capital expenditure plans. Given the current review of the City Council's capital programme the figures are provisional. Final figures will be added in 2023-24 Quarter 1 monitoring.

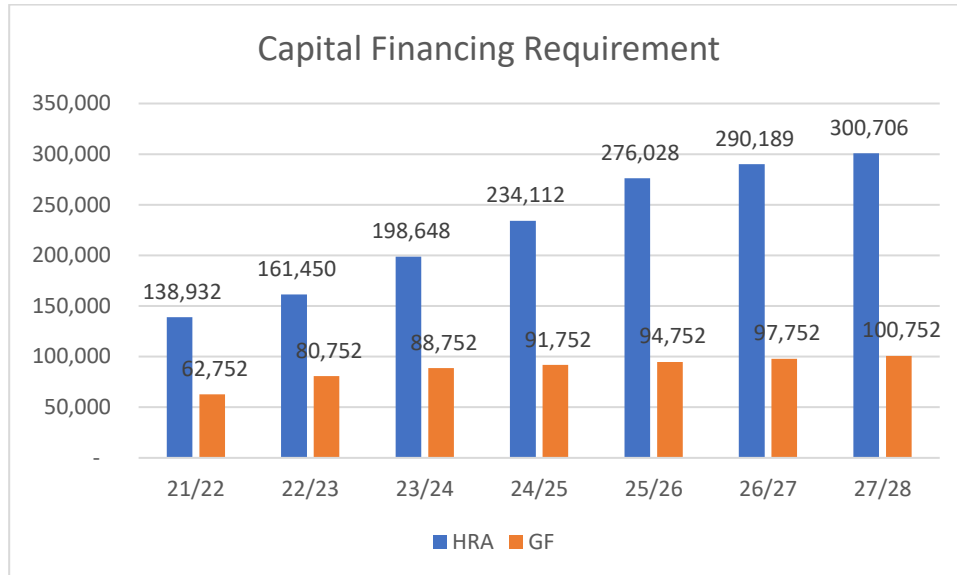


### The Council's Borrowing Need (The Capital Financing Requirement)

- 2.3 The second prudential indicator is the City Council's Capital Financing Requirement. The Capital Financing Requirement is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the City Council's indebtedness and so of its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the Capital Financing Requirement.
- 2.4 The Capital Financing Requirement decreases by the annual minimum provision made. Minimum revenue provision is the statutory annual revenue charge that

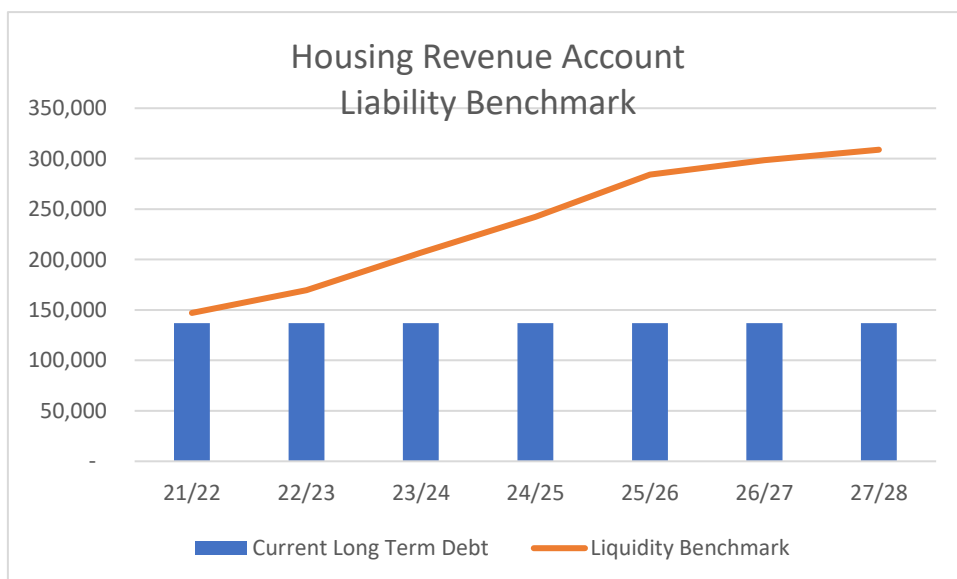
reduces indebtedness over each asset's life. Minimum revenue provision charges reflect the economic consumption of capital assets as they are used.

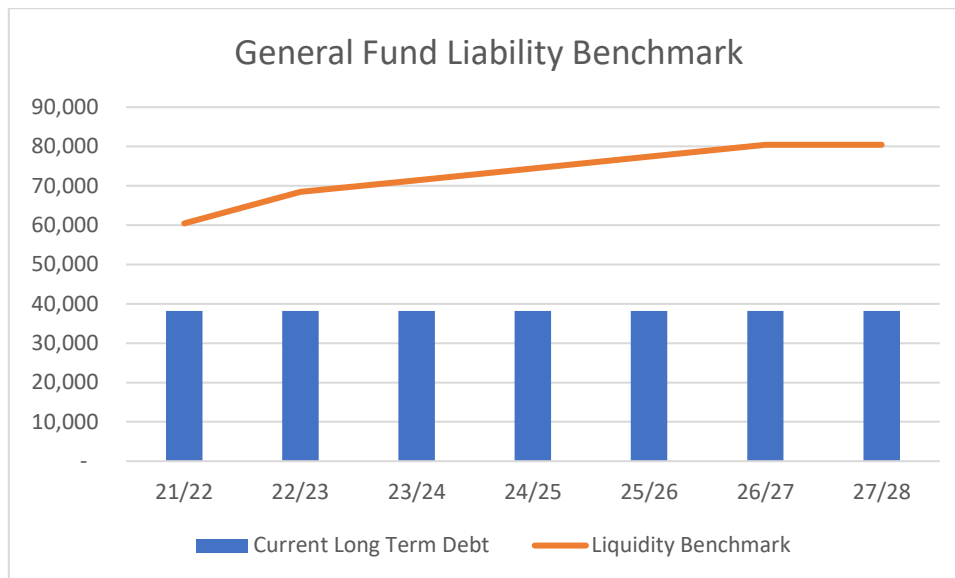
- 2.5 The Capital Financing Requirement includes some long-term liabilities other than borrowing (for example finance leases). Whilst these increase the Capital Financing Requirement, and therefore the City Council's borrowing requirement, these types of schemes include a borrowing facility by the lease provider and so the Council is not required to separately borrow for these schemes.



### The Liability Benchmark

- 2.6 This is a new prudential indicator for 2023/24. It compares the Council's debt profile with assessed liquidity requirements. Current long-term debt is constant due to the long maturity profile of current debt. The liquidity benchmark reflects the increasing capital financing requirement and a £10m liquidity allowance. The benchmark demonstrates that the City Council will need to borrow in future years.





### 3 Minimum Revenue Provision Policy Statement

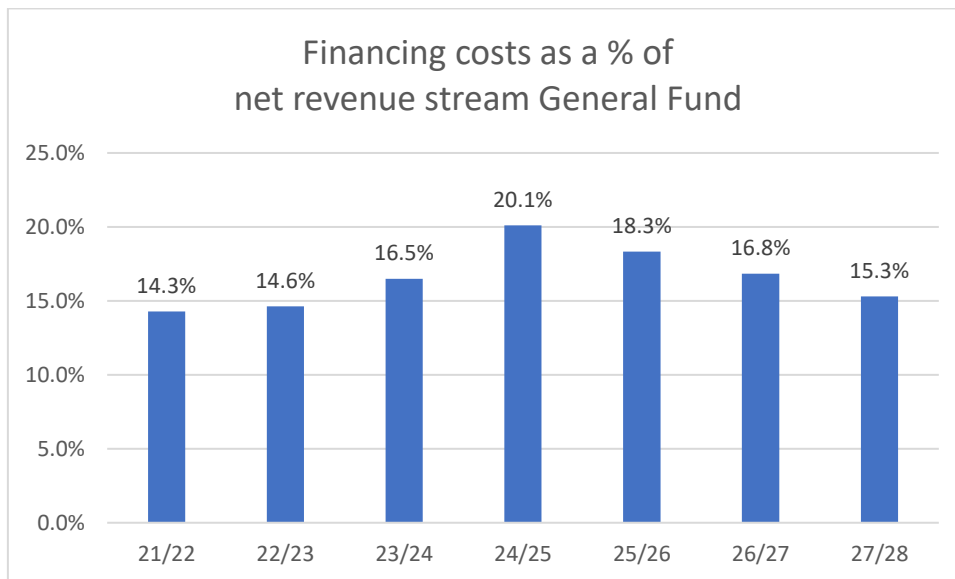
- 3.1 The City Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments if required.
- 3.2 Government regulations require the full Council to approve a Minimum Revenue Provision Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The City Council is recommended to approve the following Minimum Revenue Provision Statement. This is unchanged from 2022/23.
- 3.3 For capital expenditure incurred before 1 April 2008 and subsequent Supported Capital Expenditure, the policy will allow for the borrowing need to be repaid on an equal instalment basis over a period of 50 years. (Supported capital expenditure is a legacy issue and no new approvals are issued under the prudential finance system that has applied since 2003.)
- 3.4 From all prudential borrowing (including finance leases) the Minimum Revenue Provision policy will be calculated by the Asset Life Method. Minimum Revenue Provision will be based on the estimated life of the assets, in accordance with City Council accounting policies and Government regulations. This provides for a uniform reduction in the City Council's borrowing need over the asset's life. Repayments under finance leases are applied as Minimum Revenue Provision.
- 3.5 There is no requirement in the Housing Revenue Account to make minimum revenue provision but there is a requirement for a charge for depreciation to be made.
- 3.6 The Head of Finance in liaison with the Portfolio Holder for Resources will keep the Council's Minimum Revenue Provision Policy under review to ensure that it remains fit for purpose in relation to City Council borrowing requirements.

## Affordability Prudential Indicators

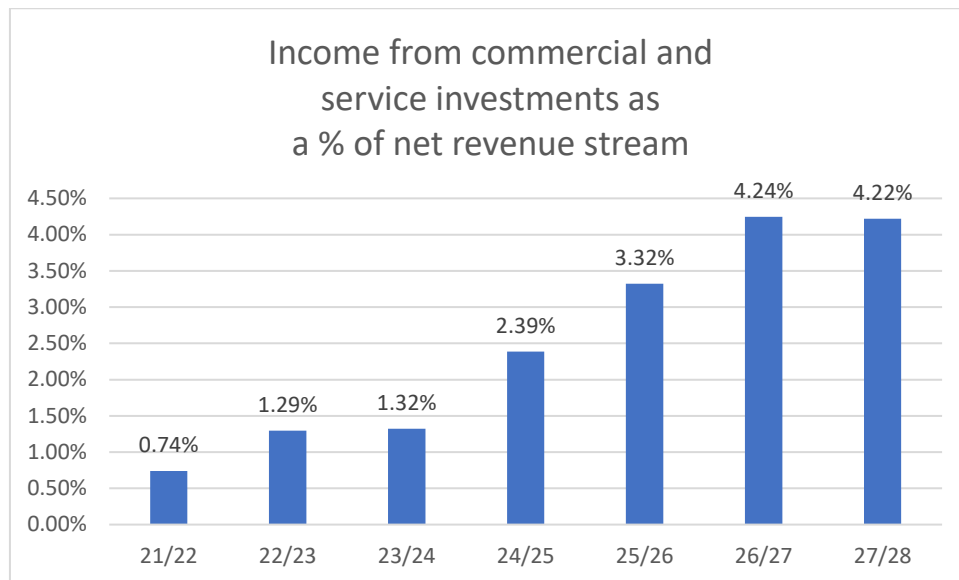
- 3.7 The previous sections of this report cover the overall capital, and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability to the general fund of the capital investment plans. These provide an indication of the impact of the capital investment plans on the City Council's overall finances.

The ratio of financing costs to net revenue stream is an affordability indicator. This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the City Council's net revenue stream. The affordability is based on current Medium Term Financial Forecast budgets and will be recalculated following the capital programme review.

3.8



- 3.9 A further prudential indicator is the net income from commercial and service investments as a % of net revenue stream. The Council has an investment of £1.5m in Colchester Amphora Housing Ltd, and £80k in Colchester Amphora Energy Limited. Based on 2023-24 Budget and Medium Term Financial Forecast dividend forecasts the income stream as a proportion of the net revenue stream is set out in the table below.



## 4 Economic Outlook provided by Link Asset Services

- 4.1 The Council has appointed Link Asset Services as its treasury advisor and part of the service is to assist the Council to formulate a view on interest rates. This section of the Strategy is provided by Link.

## Economic Summary UK

- The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members preferred to maintain rates unchanged, and one member preferred to increase them by 75 bps, to 3.75 percent.
- In the MPC's November Monetary Policy Report projections, conditioned on the elevated path of market interest rates at that time, the UK economy was expected to be in recession for a prolonged period and CPI inflation was expected to remain very high in the near term. Inflation was expected to fall sharply from mid-2023, to some way below the 2% target in years two and three of the projection. This reflected a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation were judged to be to the upside.
- The British economy expanded 2.4% year-on-year in the third quarter of 2022, the lowest reading since the contraction in Q1 2021, but slightly above market expectations of 2.1%, preliminary estimates showed. On a monthly basis, the British economy expanded 0.5% in October from September of 2022, the biggest increase in nearly a year and above forecasts of 0.4%. The British economy grew 1.5% year-on-year in October of 2022, slightly above market forecasts of 1.4%, and following a 1.3% rise in September. The British economy shrank 0.3% in the three months to October of 2022, the biggest drop since early 2021, but slightly less than market forecasts of a 0.4% fall.
- The S&P Global/CIPS United Kingdom Composite PMI rose to 49.0 in December 2022, up from 48.2 in the previous month and above market expectations of 48.2, a preliminary estimate showed.
- The annual inflation rate in the UK eased to 10.7% in November of 2022 from 11.1% in October which was the highest since October 1981. Figures came below market forecasts of 10.9%, with the largest downward contribution made by transport (7.2% vs 8.9%), particularly motor fuels (17.2% vs 22.2%) and second-hand cars (-5.8% vs -2.7%). Prices also slowed for clothing and footwear (7.5% vs 8.5%), recreation and culture (5.3% vs 5.9%), and communication (2.6% vs 3.2%). Food inflation meanwhile, edged higher to 16.5% from 16.4%, hitting the strongest since 1977, led by the cost of bread and cereals.
- The number of people in work in the UK fell by 52,000 in the three months to September, more than twice the market forecast of a 25,000 drop and following a 109,000 decline in the previous month. The unemployment rate in the UK edged higher to 3.7% in the three months to October of 2022 from 3.6% in the previous period, matching market forecasts. The number of people claiming for unemployment benefits in the UK rose by 30,500 in November of 2022, the biggest increase since February last year.
- Average weekly earnings including bonuses in the UK increased by 6.1% y/y to £624 in the three months to October of 2022, above a 6.0% gain in the three months to September but below market forecasts of 6.2%. Regular pay which excludes bonus payment also went up 6.1%, the most since July 2021, exceeding forecasts of 5.9% and after an upwardly revised figure of 5.8% in the previous period.

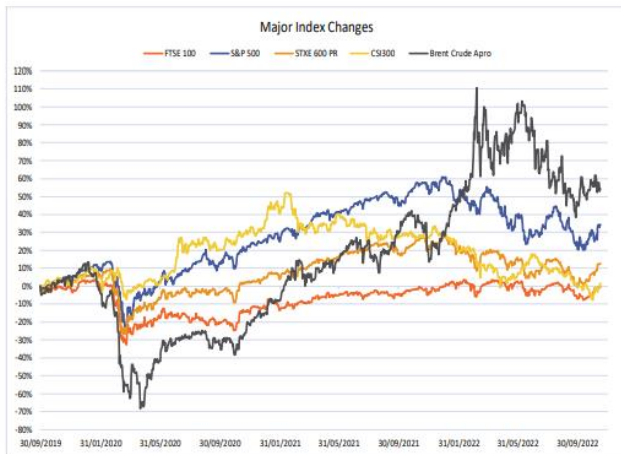
## Economic Summary US, Europe & China

- The US economy unexpectedly added 263K jobs in November of 2022, beating market forecasts of 200K, and following an upwardly revised 284K in October. It is the lowest job gain since April last year, as the labour market is normalizing after the pandemic shock.. The unemployment rate in the US was unchanged at 3.7 percent in November 2022, matching market expectations and remaining close to September's 29-month low of 3.5 percent. The US economy contracted an annualised 0.6% q/q in Q2 2022, matching the second estimate, and confirming the economy technically in a recession, following a 1.6% drop in Q1. The S&P Global US Composite PMI fell to 44.6 in December 2022 from 46.4 in the previous month, signalling the joint-fastest decline in business activity for over two-and-a-half years, a preliminary estimate showed.
- The Federal Reserve raised the fed funds rate by 50bps to 4.25%-4.5% during its last monetary policy meeting of 2022, pushing borrowing costs to the highest level since 2007, and in line with market expectations. It was a seventh consecutive rate hike, following four straight three-quarter point increases. Policymakers reinforced that ongoing hikes in the target range will be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2%. The Fed now expects interest rates to reach 5.1% next year, 4.1% in 2024, and 3.1% in 2025, a higher level than previously indicated.
- The S&P Global Eurozone Composite PMI increased to 48.8 in December of 2022 from 47.8 in November, beating market forecasts of 48, preliminary estimates showed. The **Eurozone** quarterly economic growth was revised slightly higher to 0.3% in the third quarter from preliminary estimates of 0.2%, and following a 0.8% expansion in the previous three-month period. Annual inflation rate in the Euro Area eased to 10% in November of 2022 from a record high of 10.6% in October, beating market forecasts of 10.4%, preliminary estimates showed. The inflation slowed for the first time since June last year, which could offer some early signs that price pressures have peaked. Annual core inflation rate in the Euro Area was steady at a record high level of 5% in November of 2022, in line with forecasts, preliminary estimates showed.
- The ECB raised interest rates by 50 bps during its last monetary policy meeting of 2022, marking a fourth rate increase, following two consecutive 75bps hikes. That takes the deposit facility to 2%, the refinancing rate to 2.5% and the marginal lending to 2.75%, a level not seen in fourteen years. Policymakers also said rates are expected to rise further due to a substantial upward revision to the inflation outlook.
- The **Chinese economy** expanded a seasonally adjusted 3.9% q/q in the three months to September, beating market forecasts of 3.5% and shifting from a revised 2.7% contraction in the previous quarter. This was the strongest quarterly pace of growth since the second quarter of 2020, buoyed by a series of policies and stimulus from Beijing to revive economic activity.
- The Caixin China General Composite PMI fell to 47.0 in November from 48.5 in October, pointing to the lowest print since May whilst the Chinese economy was bracing for a third wave of COVID infections. The official NBS Manufacturing PMI declined to 48.0 in November 2022 from 49.2, below market forecasts of 49.0. This was the second straight month of contraction in factory activity and the steepest pace since April, amid a new wave of COVID cases and tough restrictions in some large cities. The official NBS Non-Manufacturing PMI for China dropped to 46.7 in November 2022 from 48.7 a month earlier, due to the same COVID related issues.

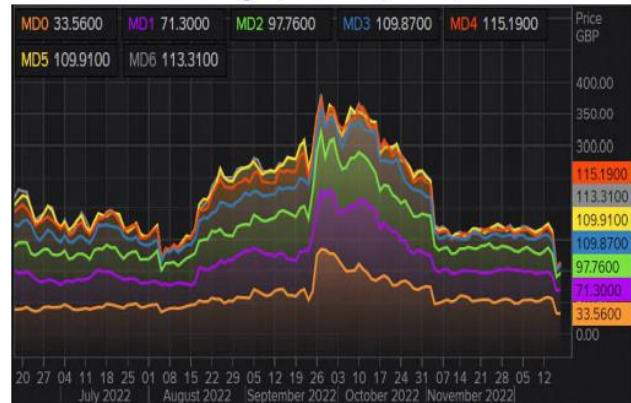


# Current Market Movers

## Equity Markets & Oil Prices



## Market Expectations on near-term UK Bank Rate Change (in basis points)



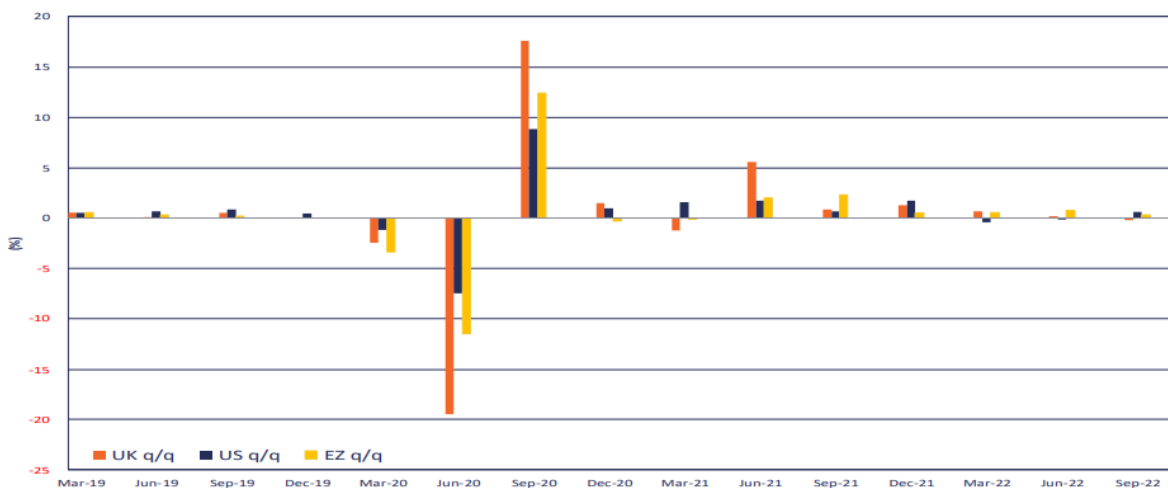
Source: Reuters Eikon

\*MD0 = Change in Bank Rate expected at MPC meeting to be held February 2023, MD1 = Mar-23, MD2 = May-23, MD3 = Jun-23, MD4 = Aug-23, MD5 = Sep-23, MD6 = Nov-23

- Major stock market indices and oil prices initially traded sharply lower at the outbreak of the coronavirus pandemic. However, both subsequently rebounded strongly, partly reflecting the initial success of the roll-out of vaccination programmes. More recently, however, equity markets have been negatively impacted by the fall-out from the Russian invasion of Ukraine. Concerns have focussed on supply side shocks in respect of oil, gas, wheat and other mainstream commodities, whilst global economic growth may also slow significantly.
- The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members preferred to maintain rates unchanged, and one member preferred to increase them by 75 bps, to 3.75 percent. Officials noted that the labour market remained tight and inflation and wage growth were still high, which justified a forceful policy response.

# GDP Growth

## UK, US and EZ GDP Growth

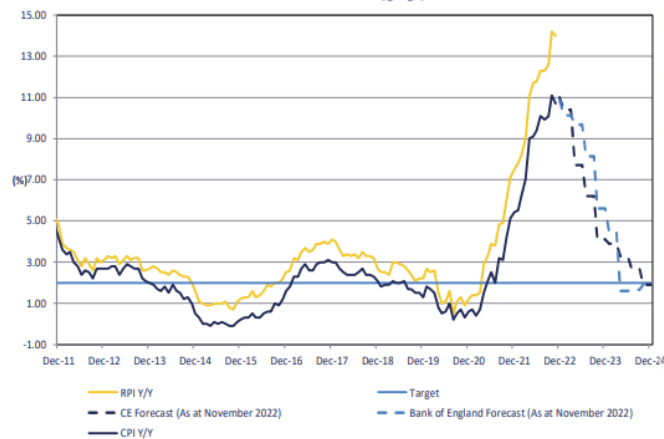


- The UK economy shrank 0.2% q/q in Q3, the first contraction in one and a half years but less than market forecasts of a 0.5% drop, preliminary estimates showed.
- The US economy grew an annualised 2.6% q/q in Q3 2022, exceeding forecasts of a 2.4% rise and rebounding from a contraction in the first half of the year.
- The Eurozone quarterly economic growth was revised slightly higher to 0.3% in the third quarter from preliminary estimates of 0.2%, and following a 0.8% expansion in the previous three-month period.

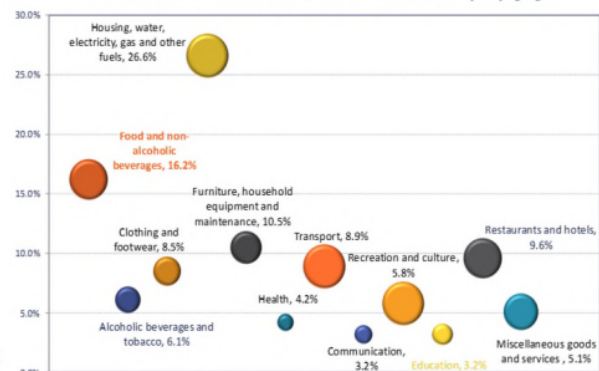


# UK Inflation

CPI & RPI (y/y)



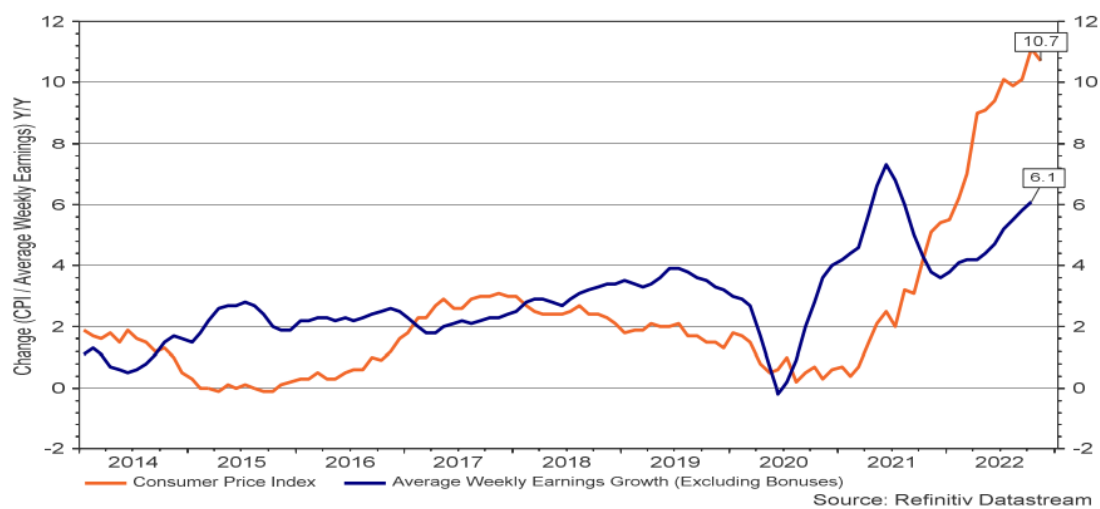
UK CPI Breakdown – October (%) y/y



- The annual inflation rate in the UK eased to 10.7% in November of 2022 from 11.1% in October which was the highest since October 1981. Figures came below market forecasts of 10.9%, with the largest downward contribution made by transport (7.2% vs 8.9%), particularly motor fuels (17.2% vs 22.2%) and second-hand cars (-5.8% vs -2.7%). Prices also slowed for clothing and footwear (7.5% vs 8.5%), recreation and culture (5.3% vs 5.9%), and communication (2.6% vs 3.2%). Prices in restaurants and hotels rose at a record 10.2% (vs 9.6%), mainly pushed by alcohol served in restaurants, cafes and pubs. Food inflation meanwhile, edged higher to 16.5% from 16.4%, hitting the strongest since 1977, led by the cost of bread and cereals.
- The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members preferred to maintain rates unchanged, and one member preferred to increase them by 75 bps, to 3.75 percent. Officials noted that the labour market remained tight and inflation and wage growth were still high, which justified a forceful policy response.

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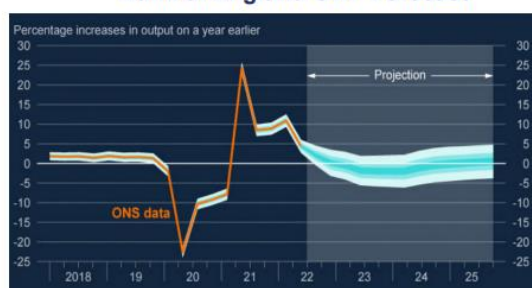
## CPI Inflation v UK Wage Growth



- Average weekly earnings including bonuses in the UK increased by 6.1% year-on-year to £624 in the three months to October of 2022, above a 6.0% gain in the three months to September but below market forecasts of 6.2%. Regular pay which excludes bonus payment also went up 6.1%, the most since July 2021, exceeding forecasts of 5.9% and after an upwardly revised figure of 5.8% in the previous period.
- Earnings growth was previously boosted by the effect of lower paid workers losing their jobs during the pandemic and the impact of the furlough scheme.
- The annual inflation rate in the UK eased to 10.7% in November of 2022 from 11.1% in October which was the highest since October 1981. Figures came below market forecasts of 10.9%, with the largest downward contribution made by transport (7.2% vs 8.9%), particularly motor fuels (17.2% vs 22.2%) and second-hand cars (-5.8% vs -2.7%). Prices also slowed for clothing and footwear (7.5% vs 8.5%), recreation and culture (5.3% vs 5.9%), and communication (2.6% vs 3.2%). Food inflation meanwhile, edged higher to 16.5% from 16.4%, hitting the strongest since 1977, led by the cost of bread and cereals.

# Bank of England Forecast

Bank of England GDP Forecast



Bank of England Inflation Forecast

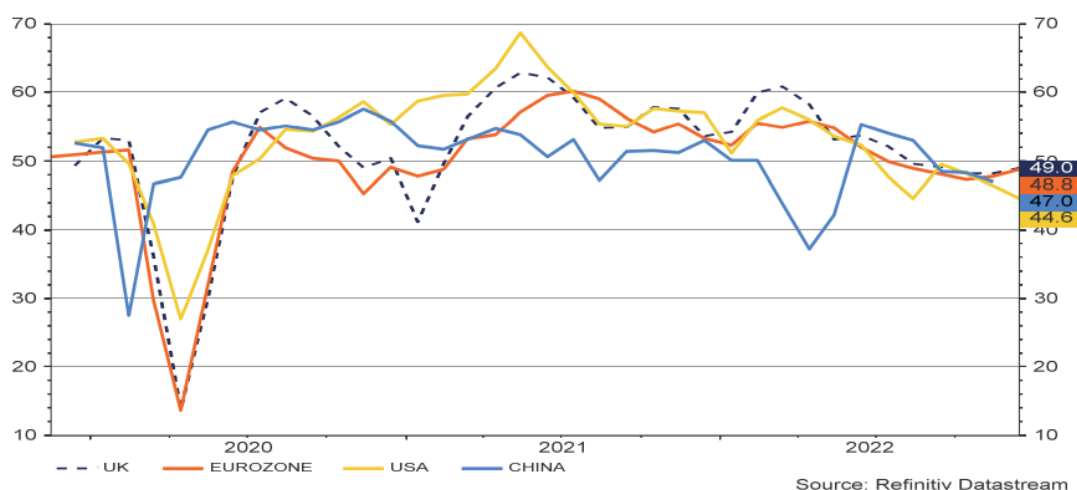


	2022 Q4	2023 Q4	2024 Q4	2025 Q4
GDP (c)	0.2 (0.1)	-1.9 (-1.2)	-0.1 (0.1)	0.7
CPI inflation (d)	10.9 (13.1)	5.2 (5.5)	1.4 (1.4)	0.0
LFS unemployment rate	3.7 (3.7)	4.9 (4.7)	5.9 (5.7)	6.4
Excess supply/Excess demand (e)	¼ (-¼)	-2½ (-2½)	-3 (-3¼)	-3
Bank Rate (f)	3.0 (2.4)	5.2 (2.9)	4.7 (2.4)	4.4

The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members preferred to maintain rates unchanged, and one member preferred to increase them by 75 bps, to 3.75 percent.

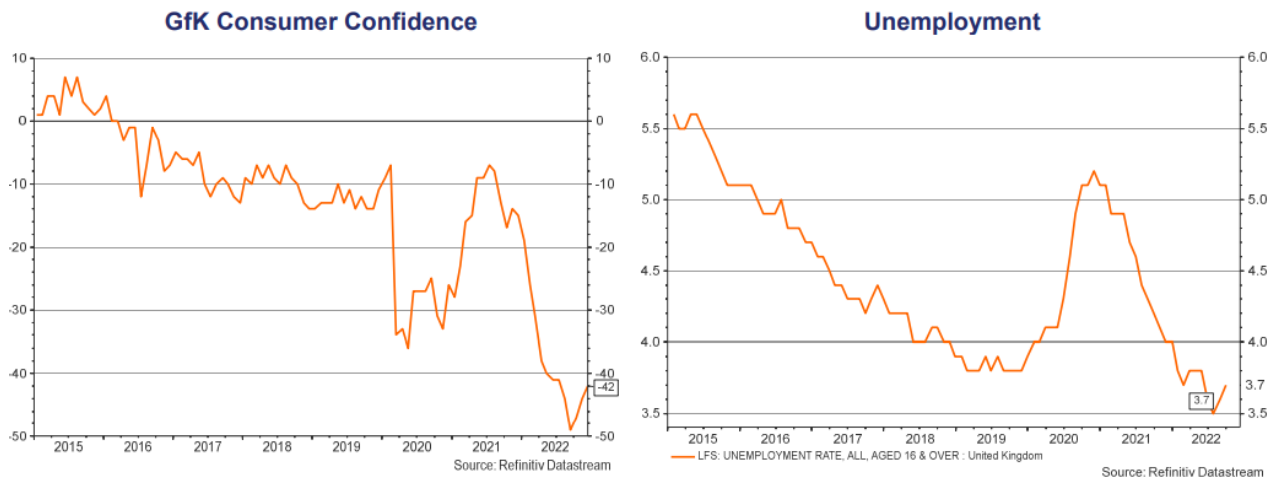
In the MPC's November Monetary Policy Report projections, conditioned on the elevated path of market interest rates at that time, the UK economy was expected to be in recession for a prolonged period and CPI inflation was expected to remain very high in the near term. Inflation was expected to fall sharply from mid-2023, to some way below the 2% target in years two and three of the projection. This reflected a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation were judged to be to the upside.

## UK, EZ, USA & China Composite PMI



- The S&P Global/CIPS United Kingdom Composite PMI rose to 49.0 in December 2022, up from 48.2 in the previous month and above market expectations of 48.2, a preliminary estimate showed.
- The S&P Global Eurozone Composite PMI increased to 48.8 in December of 2022 from 47.8 in November, beating market forecasts of 48, preliminary estimates showed.
- The S&P Global US Composite PMI fell to 44.6 in December 2022 from 46.4 in the previous month, signaling the joint-fastest decline in business activity for over two-and-a-half years, a preliminary estimate showed.
- The Caixin China General Composite PMI fell to 47.0 in November from 48.5 in October, pointing to the lowest print since May whilst the Chinese economy was bracing for a third wave of COVID infections.

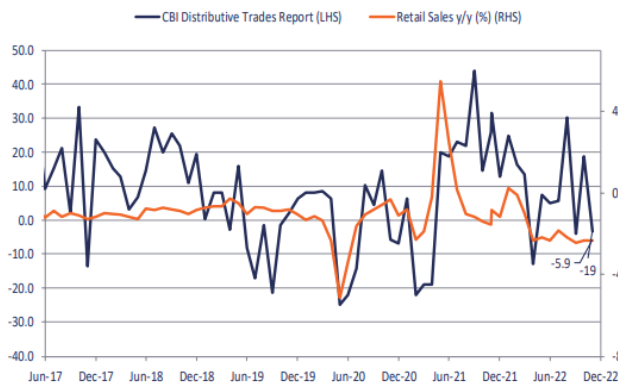
# UK Employment and Consumer Confidence



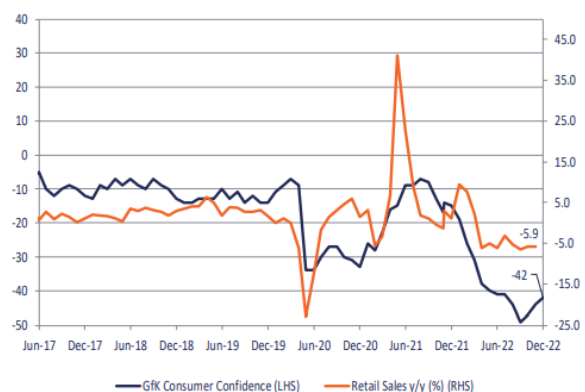
- The unemployment rate in the UK edged higher to 3.7% in the three months to October of 2022 from 3.6% in the previous period, matching market forecasts. Average weekly earnings including bonuses in the UK increased by 6.1% year-on-year to £624 in the three months to October of 2022, above a 6.0% gain in the three months to September but below market forecasts of 6.2%. Regular pay which excludes bonus payment also went up 6.1%, the most since July 2021, exceeding forecasts of 5.9% and after an upwardly revised figure of 5.8% in the previous period.
- The GfK Consumer Confidence indicator in the United Kingdom rose slightly to -42 in December 2022, improving for the third straight month but remaining near a record low of -49 reached in September as high inflation continued to erode household income and as the country braces for a prolonged recession.

## UK Retail Sales

### ONS Retail Sales & CBI Distributive Trades Report



### Retail Sales & Consumer Confidence

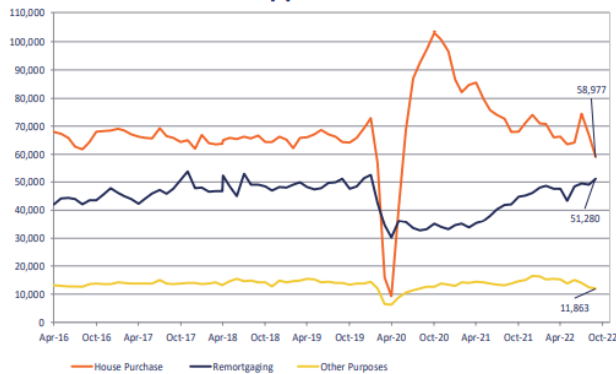


- Retail sales in the UK unexpectedly declined 0.4% month-over-month in November of 2022, after jumping an upwardly revised 0.9% in the previous month when there was a bounce back from the impact of the additional Bank Holiday in September for the State Funeral. Retail Sales in the United Kingdom decreased 5.9% year-on-year in November of 2022, slightly worse than market forecasts of a 5.6% decline.
- The CBI distributive trades survey's retail sales balance in the UK slumped 37 points to -19 in November 2022, pointing to a sharp decline in sales, according to the CBI's latest quarterly Distributive Trades Survey. In addition, firms anticipated a similar rate of sales decline next month.
- The GfK Consumer Confidence indicator in the United Kingdom rose slightly to -42 in December 2022, improving for the third straight month but remaining near a record low of -49 reached in September as high inflation continued to erode household income and as the country braces for a prolonged recession.

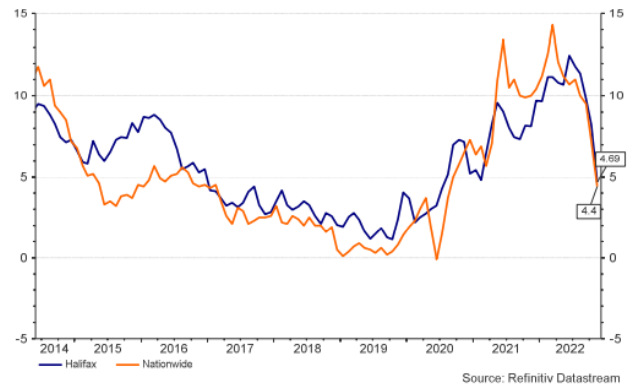


# UK Housing

## Historical Breakdown of Mortgage Approvals



## UK House Price Changes y/y

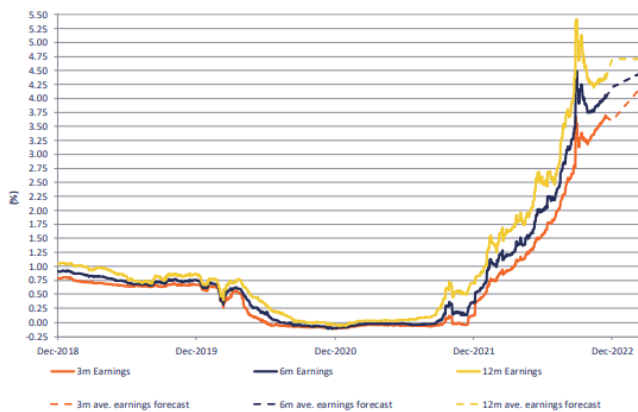


- House prices in the UK increased 4.7% y/y in November, the least since July 2020, following an 8.2% rise in October, data from Halifax showed. On a monthly basis, average house prices in the UK fell 2.3%, the biggest drop since October 2008, and marking the third straight month of declines.
- The Nationwide House Price Index in the UK increased 4.4% y/y in November 2022, less than 7.2% in October and below market expectations of 5.8%. Compared to the previous month, prices dropped 1.4%, the second straight month of decline and the biggest fall since June 2020.
- Approvals for house purchases in the United Kingdom, an indicator of future borrowing, dropped sharply to 58,977 in October 2022, down from a revised 65,967 in the previous month and below market expectations of 60,200. This was the lowest level of approvals since the aftermath of the COVID-19 outbreak in June 2020, amid rising borrowing costs and a looming economic recession. Meanwhile, approvals for remortgaging, which only capture remortgaging with a different lender, rose slightly to 51,280 in October from 49,491 in September. The 'effective' interest rate, the actual interest rate paid, on newly drawn mortgages increased by 25 basis points, to 3.09% in October. The rate on the outstanding stock of mortgages increased by 5 basis points, to 2.29%.

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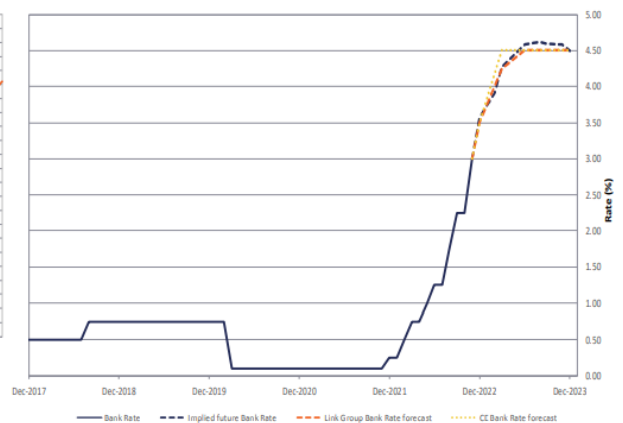
# UK Bank Rate Forecast

## Average Earnings Forecast



\*Historic earnings data reflects LIBID rates until 03/01/22 and SONIA rates thereafter.

## Bank Rate Forecast



Link Group Interest Rate View														
	Now	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Bank Rate	3.50%	3.50%	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%	3.00%	2.75%	2.50%	2.50%
3 month ave. earnings	-	3.60%	4.30%	4.50%	4.50%	4.50%	4.00%	3.80%	3.30%	3.00%	3.00%	2.80%	2.50%	2.50%
6 month ave. earnings	-	4.20%	4.50%	4.60%	4.50%	4.20%	4.10%	3.90%	3.40%	3.10%	3.00%	2.90%	2.60%	2.60%
12 month ave. earnings	-	4.70%	4.70%	4.70%	4.50%	4.30%	4.20%	4.00%	3.50%	3.20%	3.10%	3.00%	2.70%	2.70%

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# UK Interest Rate Forecast

Bank Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	3.50%	3.50%	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%	3.00%	2.75%	2.50%	2.50%
Capital Economics	3.50%	3.50%	4.50%	4.50%	4.50%	4.50%	4.25%	4.00%	3.50%	3.00%	-	-	-	-

5yr PWLB Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	4.18%	4.30%	4.30%	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%	3.30%	3.20%	3.10%
Capital Economics	4.18%	4.10%	4.00%	3.80%	3.70%	3.50%	3.50%	3.40%	3.30%	3.30%	-	-	-	-

10yr PWLB Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	4.26%	4.50%	4.50%	4.40%	4.30%	4.20%	4.00%	3.90%	3.70%	3.60%	3.50%	3.40%	3.30%	3.20%
Capital Economics	4.26%	4.10%	4.00%	3.80%	3.70%	3.60%	3.50%	3.40%	3.40%	3.30%	-	-	-	-

25yr PWLB Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	4.61%	4.70%	4.70%	4.60%	4.50%	4.40%	4.30%	4.10%	4.00%	3.90%	3.70%	3.60%	3.50%	3.50%
Capital Economics	4.61%	4.60%	4.40%	4.20%	4.00%	3.80%	3.80%	3.70%	3.60%	3.60%	-	-	-	-

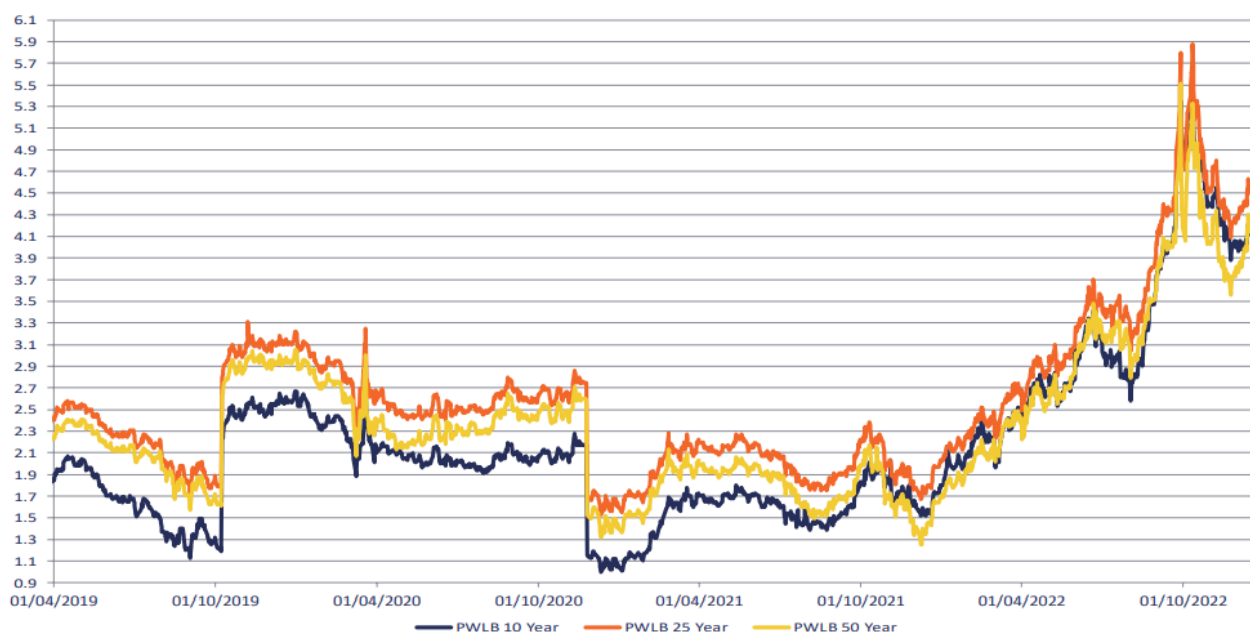
  

50yr PWLB Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	4.27%	4.30%	4.40%	4.30%	4.20%	4.10%	4.00%	3.80%	3.70%	3.60%	3.40%	3.30%	3.20%	3.20%
Capital Economics	4.27%	4.20%	4.10%	4.00%	3.90%	3.80%	3.80%	3.70%	3.60%	3.60%	-	-	-	-

Please note – The current PWLB rates and forecast shown above have taken into account the 20 basis point certainty rate reduction from the new Standard Loan rate of 100bps over Gilts effective as of the 26th November 2020.

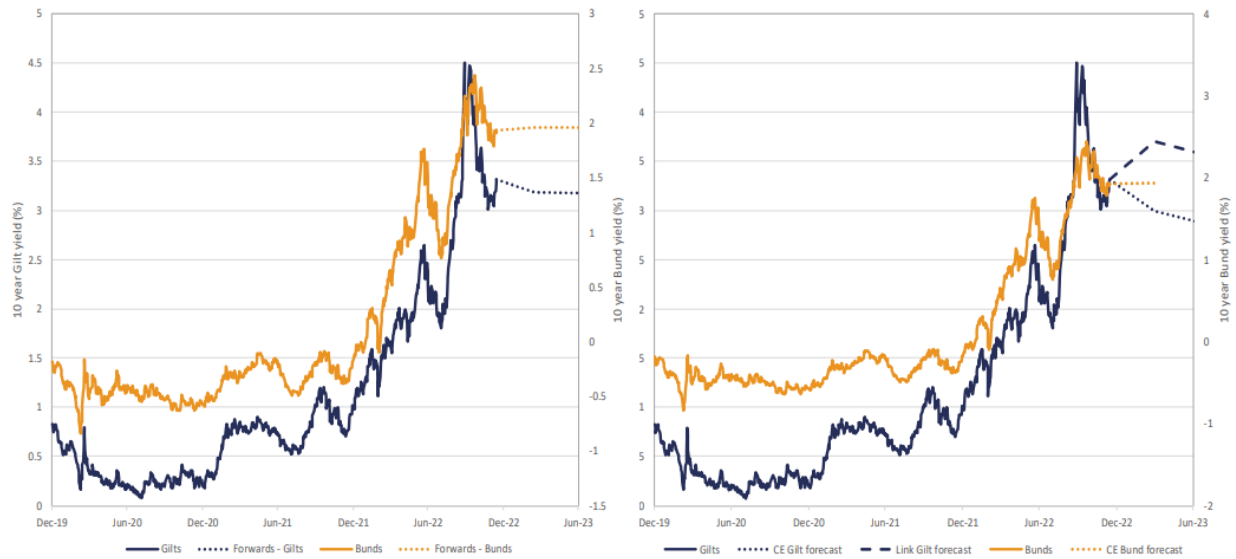
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## PWLB Trends



- The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members preferred to maintain rates unchanged, and one member preferred to increase them by 75 bps, to 3.75 percent.
- On 26<sup>th</sup> November 2020 the certainty rate was reduced by 100 bps to 80 bps over the Gilt yield.

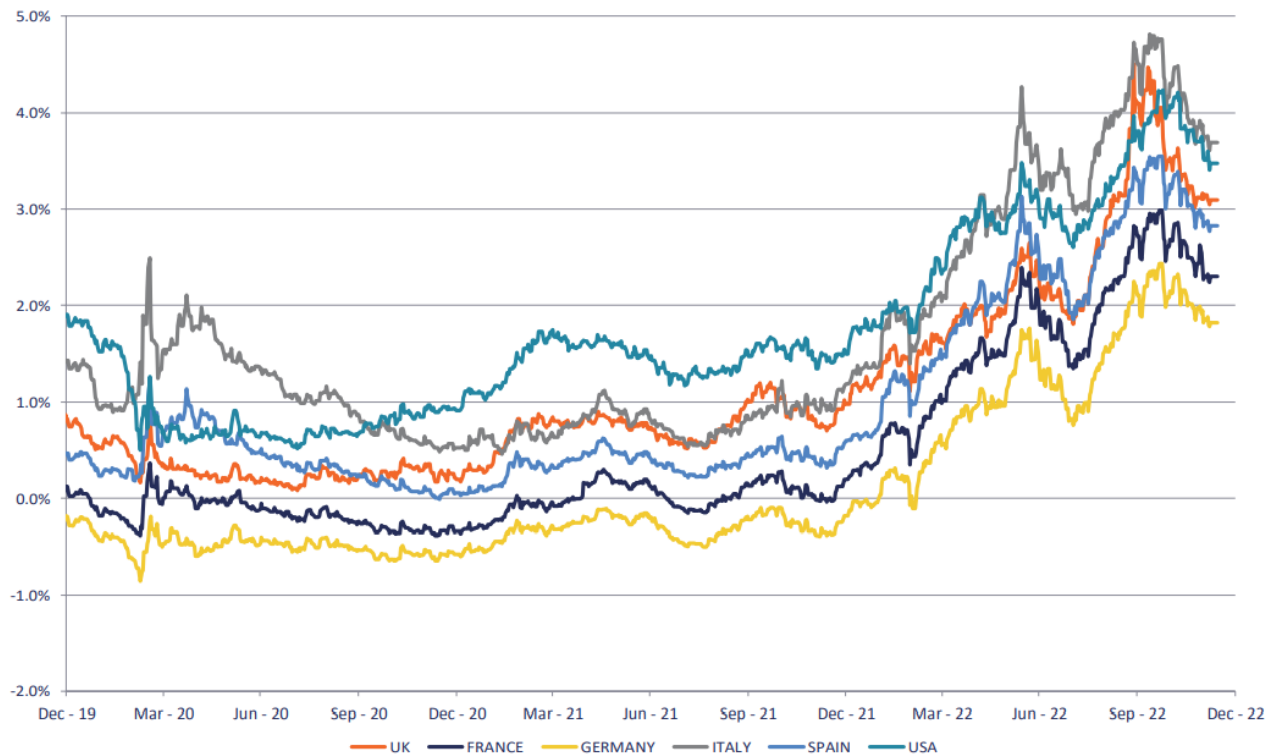
## Relative Movements in 10 year Gilts and Bunds



- Yields on 10 year Gilts and German Bunds initially fell during the first quarter of last year, as signs emerged that the COVID-19 virus would become a global pandemic.
- Movements in Gilt and Bund yield changes have become increasingly synchronised since September 2020, consistent with yields in both markets being influenced by common factors, such as the Brexit agreement, then similar positions in respect of COVID-19 driven lockdowns and, of late, inflation concerns.

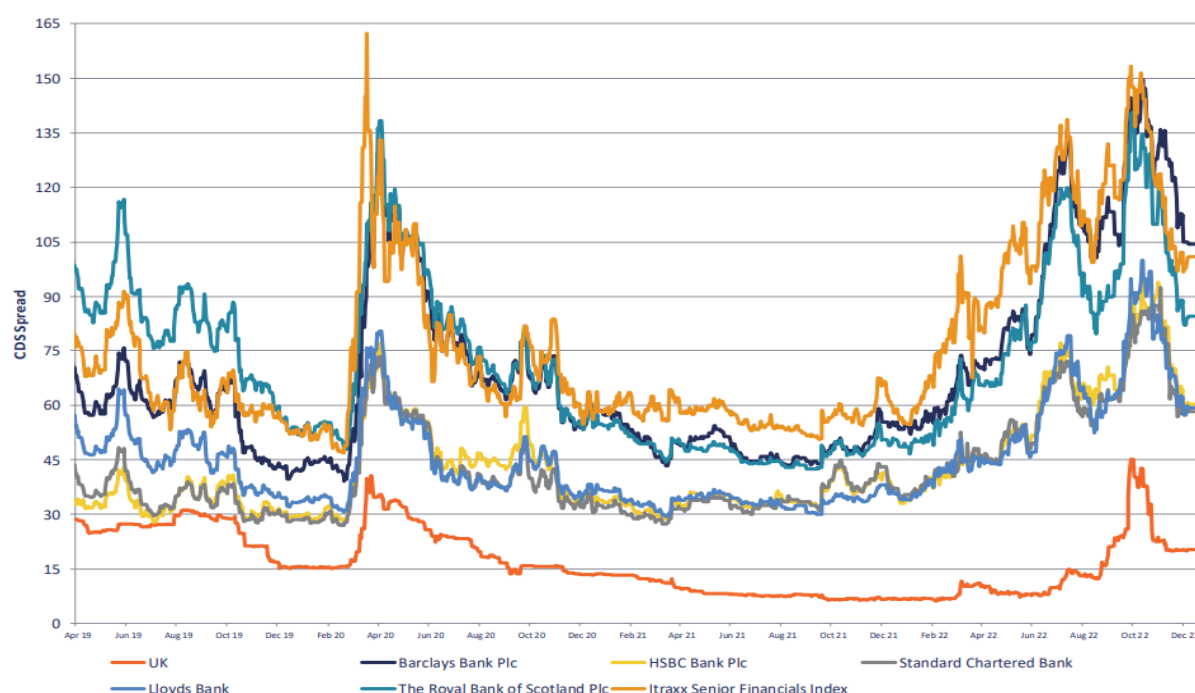
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## Sovereign Bond Yield (10yr Benchmark)



18

## UK Banks 5 Year Senior Debt CDS Spreads



19

## Asset Class Returns – 2005 to November 2022

Asset Class (IA Sector unless stated)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD - Nov. 2022	Average Annual Return
UK All Companies	21.40%	18.05%	2.18%	-31.81%	30.71%	17.10%	-3.73%	15.81%	26.66%	0.75%	4.90%	11.19%	14.08%	-11.18%	22.50%	-8.22%	17.12%	-8.25%	8.79%
UK Equity Income	20.92%	18.32%	-9.90%	-28.29%	24.43%	15.26%	-3.00%	14.63%	25.70%	3.48%	6.41%	8.84%	11.39%	-10.50%	19.90%	-10.78%	18.42%	-1.42%	7.90%
Mixed Investments 40-60% Shares	21.01%	10.69%	4.92%	-22.20%	21.01%	13.15%	-5.66%	10.48%	15.04%	4.96%	2.60%	13.32%	10.18%	-6.11%	15.96%	5.16%	11.16%	-8.80%	7.40%
Mixed Investments 20-40% Shares	14.92%	8.24%	2.21%	-17.16%	17.36%	10.24%	-2.54%	9.06%	9.37%	5.08%	1.53%	10.80%	7.19%	-5.11%	12.21%	3.50%	7.45%	-8.93%	5.55%
Mixed Investments 0-35% Shares	10.21%	5.59%	1.86%	-9.84%	13.78%	8.29%	1.19%	7.01%	4.88%	5.23%	0.55%	9.07%	4.99%	-3.36%	8.84%	3.80%	2.93%	-9.95%	4.41%
UK Property (MSCIAREF, UK PFI Other Balanced Funds)*	18.80%	19.80%	-5.40%	-26.00%	-3.60%	12.20%	6.70%	0.30%	9.00%	16.30%	12.40%	2.80%	9.70%	7.40%	1.80%	-1.00%	18.00%	6.26%	5.84%
UK Index Linked Gilts	8.78%	2.09%	7.90%	3.33%	5.99%	8.26%	21.33%	0.23%	0.03%	18.61%	-1.29%	25.30%	2.25%	-0.54%	5.87%	12.04%	3.95%	-31.20%	7.31%
£ Corporate Bond	7.99%	0.48%	0.70%	-8.95%	16.14%	8.93%	5.58%	14.16%	1.41%	10.57%	0.26%	9.75%	5.13%	-2.16%	9.51%	7.75%	-1.90%	-14.96%	5.02%
Bloomberg Barclays £ 0-5yr Corporate Bond Index			4.84%	1.06%	9.22%	5.68%	1.83%	10.46%	3.34%	4.35%	1.49%	4.89%	2.32%	-0.06%	4.48%	3.52%	-0.50%	-5.82%	3.79%
HS Markit iBoxx GBP Liquid Invest Grade Ultrashort Index			5.48%	4.56%	2.98%	0.88%	1.29%	1.69%	0.61%	0.88%	0.67%	0.94%	0.61%	0.69%	1.20%	0.92%	0.19%	0.93%	1.57%
UK Gilts	7.84%	0.10%	4.43%	12.88%	-1.59%	7.03%	15.61%	1.94%	-4.91%	14.89%	0.00%	11.58%	1.74%	-0.06%	6.90%	9.00%	-5.28%	-20.70%	4.85%
FTSE Conventional Gilt up to 5yr Index	5.05%	2.60%	6.75%	9.92%	2.72%	3.57%	4.70%	0.88%	-0.55%	2.90%	0.97%	2.58%	-0.25%	0.34%	1.12%	1.52%	-1.63%	-4.07%	2.55%
Money Market Funds	4.72%	4.71%	5.73%	5.27%	1.12%	0.66%	0.77%	0.69%	0.49%	0.52%	0.56%	0.53%	0.35%	0.65%	0.83%	0.36%	0.08%	1.24%	1.65%
Compounded 3 month SONIA (backward-looking)																	0.05%	0.90%	0.05%
Compounded 12 month SONIA (backward-looking)																	0.06%	0.40%	0.06%
RPI*	2.20%	4.40%	4.00%	0.90%	2.40%	4.80%	4.80%	3.10%	2.70%	1.60%	1.20%	2.50%	4.10%	2.70%	2.20%	1.20%	7.50%	14.20%	3.08%

Equity Assets	Multi-Asset	Physical Assets	Fixed Income Assets	Money Market Assets	Economic data Index
---------------	-------------	-----------------	---------------------	---------------------	---------------------

Source: Lipper Investment Management, Property Fund Manager and iMoneyNet.

Figures are gross (all) and non-annualised (except for Money Market Assets). Please note the data for the 'IHS Markit iBoxx GBP Liquid Invest Grade Ultrashort Index', was internally calculated until 2013.

\* UK Property figures are showing for October 2022 as figures are reported every quarter with a 2 month lag on data being released

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## 5 Investment and borrowing rates

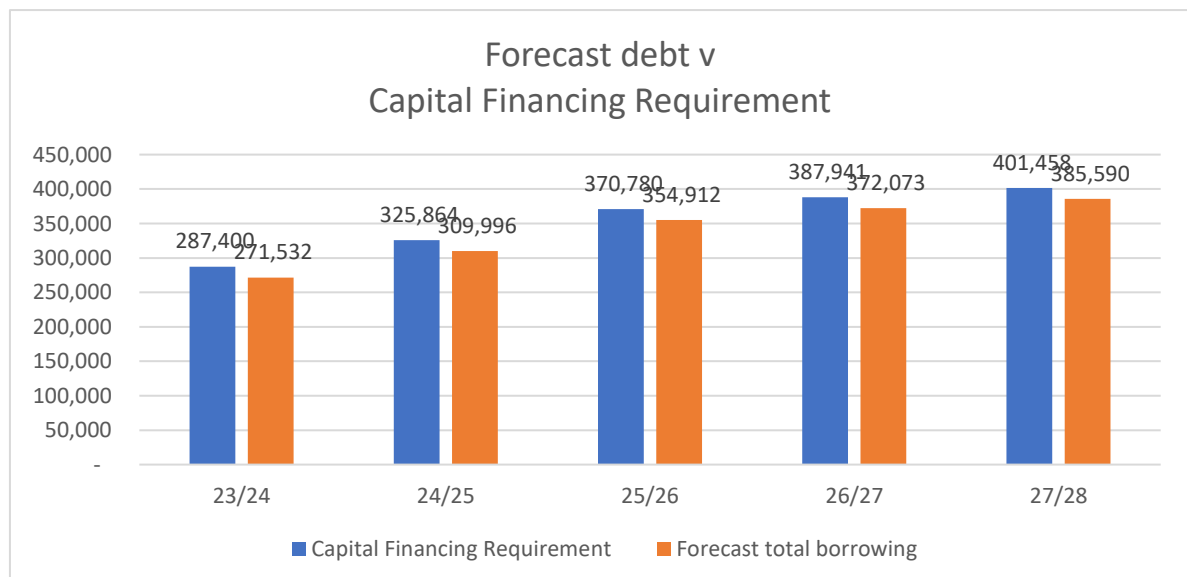
- 5.1 The policy of avoiding the interest cost of new borrowing by using available cash balances has served well over the last few years. However, this needs to be kept under review to avoid incurring high borrowing costs in the future when the Council may require new external borrowing to finance capital expenditure or for the refinancing of maturing debt.
- 5.2 There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost - the difference between borrowing costs and investment returns.

### Capital Financing Requirement

- 5.3 The Council's capital programme is currently under review. The Capital Strategy for 2023-24 will be reported in Q1 of 2023-24.. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt position and the annual investment strategy.

### Current portfolio position

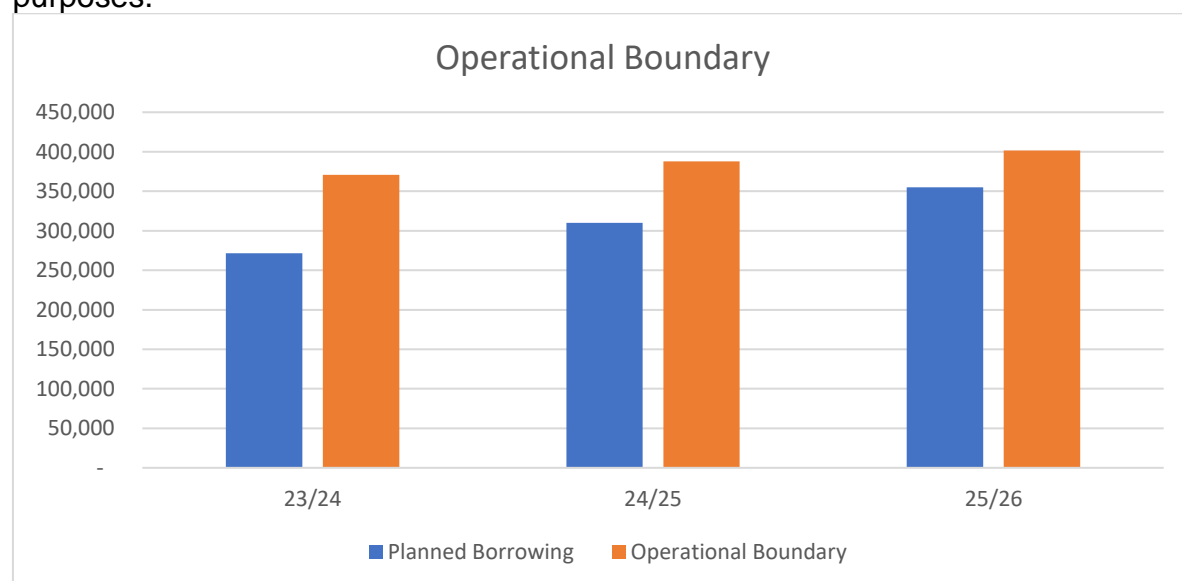
- 5.4 The Council's treasury portfolio position with forward projections is summarised below. The table shows the actual external debt against the underlying capital borrowing need (the Capital Financing Requirement), highlighting any over or under borrowing.



- 5.5 Within the prudential indicators there are key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short-term, exceed the



total of the Capital Financing Requirement in the preceding year plus the estimates of any additional Capital Financing Requirement for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

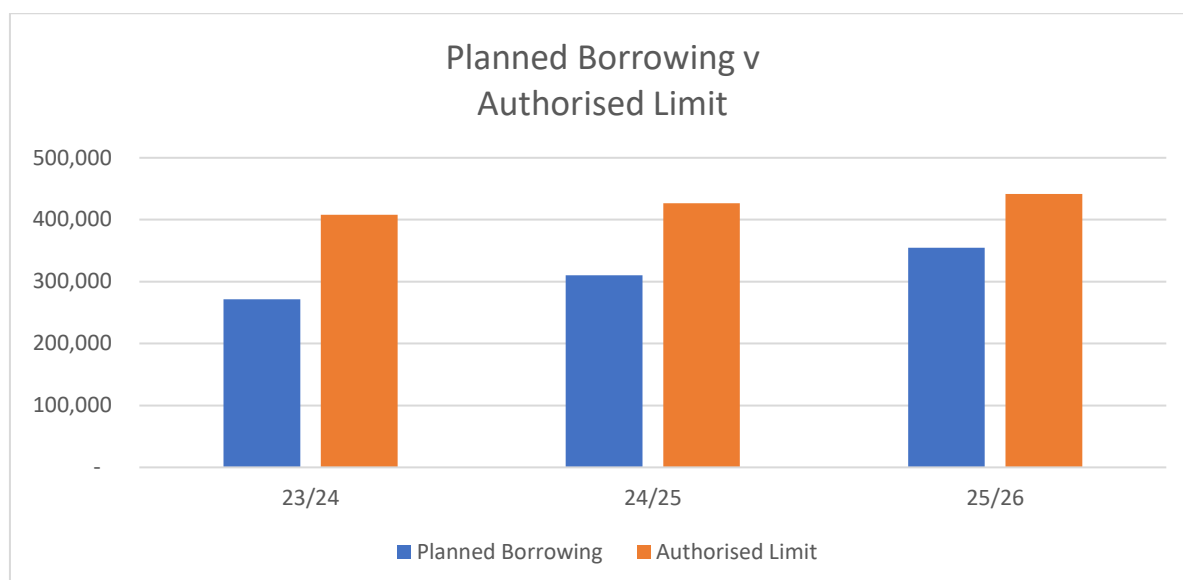


- 5.6 The Head of Finance and S151 Officer confirms that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future allowing for current commitments and the reset capital programme.

### Treasury Indicators: Limits to Borrowing Activity

- 5.7 The Operational Boundary is the limit beyond which external debt is not normally expected to exceed. Planned external debt is well within the operational boundary limit.

The **Authorised Limit** for external debt represents a control on the maximum level of borrowing. This is a statutory limit determined under section 3(1) of the Local Government Act 2003. This limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer term. The chart shows that planned external debt is well within the authorised limit sought. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.



## Borrowing Strategy

- 5.8 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure.
- 5.9 The Head of Finance and S151 Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- if it was felt that there was a significant risk of a sharp FALL in rates, (e.g., due to a marked increase of risks around relapse into recession or of risks of deflation), then long-term borrowing will be postponed, and potential rescheduling from fixed rate funding into short-term borrowing will be considered.
  - if it was felt that there was a significant risk of a much sharper RISE in long and short-term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.
- 5.10 Any major long term borrowing activity will be reported to the Governance and Audit Committee at the next available opportunity.

## Treasury Management Limits on Activity

- 5.11 There are three debt-related treasury activity limits. The purpose of these is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive, they will impair the opportunities to reduce costs / improve performance. The indicators are:
- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments.
  - Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates.

- 5.12 Variable Interest Rate Exposure. This limit is an upper bound on the Council's actual borrowing carried in variable rate loans. Variable rate loans are offered by the Public Works Loans Board. The minimum duration is one year, the maximum is 10 years. Authorities may choose 1, 3 or 6 monthly interest repayments. Premature redemptions of variable rate loans are discounted at the equivalent newly offered rate. Variable rate loans are also available from other local authorities or money markets.
- 5.13 High proportions of variable rate loans put interest costs at risk. Conversely borrowing in variable rates may enable the authority to benefit from reductions in variable rates generally. The recommended limits would allow the Council to fulfil borrowing requirements in variable rates pending a general income rate reduction.

Variable interest rate exposure		
	Lower	Upper
Under 12 months	0%	50%
12 months to 2 years	0%	25%
2 years to 5 years	0%	10%
5 years to 10 years	0%	5%

- 5.14 Fixed Interest Rate Exposure. Conversely a high proportion of fixed rate borrowing protects the authority from interest rate increases, but mean it is unable to benefit from interest rate reductions. Virtually all the City Council's current borrowing is in fixed rates.

Fixed interest rate exposure		
	Lower	Upper
Under 12 months	50%	100%
12 months to 2 years	75%	100%
2 years to 5 years	90%	100%
5 years to 10 years	95%	100%
10 years to 20 years	100%	100%
20 years to 30 years	100%	100%
30 years to 40 years	100%	100%
40 years to 50 years	100%	100%

- 5.15 Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Maturity structure of borrowing 2023/24		
	Lower	Upper
Under 12 months	0%	15%
12 months to 2 years	0%	15%
2 years to 5 years	0%	15%
5 years to 10 years	0%	15%
10 years to 20 years	0%	40%
20 years to 30 years	0%	40%
30 years to 40 years	0%	40%
40 years to 50 years	0%	10%

## **Policy on Borrowing in Advance of Need**

- 5.16 The Council will not borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

## **Debt Rescheduling**

- 5.17 Where short-term borrowing rates become considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred). The reasons for any rescheduling to take place will include:
- the generation of cash savings or discounted cash flow savings.
  - helping to fulfil the treasury strategy.
  - enhance the balance of the portfolio by amending the maturity profile or the balance of volatility).
- 5.18 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short-term rates on investments are likely to be lower than rates paid on current debt.
- 5.19 Any rescheduling will be reported to the Scrutiny Panel or the Governance and Audit Committee at the earliest meeting following its action.

## **Housing Revenue Account borrowing**

- 5.20 As part of the Housing Revenue Account reform arrangements in April 2012, the Council decided to follow the 'two pool' approach to allocating existing debt, considering those loans that were originally raised for a specific purpose. This assumed that the Housing Revenue Account would be fully borrowed, however the Housing Revenue Account is now in a position where it may need to borrow to fund the Housing Investment Programme.
- 5.21 As the Council is maintaining an under-borrowed position, the HRA will be recharged for the cost of any new borrowing requirement based on the average balance of unfinanced Housing Revenue Account borrowing during the year, using the Public Works Loan Board variable rate as at 31 March of the previous year. In an environment of low investment returns and relatively stable borrowing rates, this provides a recharge that is beneficial to both the Housing Revenue Account and General Fund and can be reasonably forecast from early in the financial year. This approach will be reviewed annually in conjunction with the Treasury Management Strategy Statement and projected investment returns.

## 6 Annual Investment Strategy

### Investment Policy

- 6.1 The Department of Levelling Up, Housing and Communities and Local Government and the Chartered Institute of Public Finance and Accountancy have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). The Council's capital programme is currently under review. The Capital Strategy for 2023-24 will be reported in Q1 of 2023-24.
- 6.2 In accordance with the above guidance, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short-term and Long-term ratings.
- 6.3 Ratings will not be the sole determinant of the quality of an institution, and it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this the Council will engage with its advisors to maintain a monitor on market pricing such as Credit Default Swaps and overlay that information on top of the credit ratings.
- 6.4 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 6.5 Investment instruments identified for use in the financial year are listed in the Appendix, which includes Counterparty, time and monetary limits. These will cover both 'Specified' and 'Non-Specified' Investments.
- 6.6 Such investments are treated as expenditure for treasury management and prudential borrowing purposes even though they do not create physical assets in the Council's accounts. Appropriate budgets in respect of these activities are agreed as part of the Council's budget setting and ongoing monitoring processes and considered as part of the Investment Strategy.
- 6.7 Specified Investments are sterling denominated investments of not more than one-year maturity, meeting the minimum 'high' criteria where applicable. These are considered low risk assets where the possibility of loss of principal or investment income is small. Non-Specified Investments are those that do not meet the specified investment criteria. A limit of £20m will be applied to the use of Non-Specified Investments (this will partially be driven by the long-term investment limits).

### Creditworthiness policy

- 6.8 This Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's, and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:
- "watches" and "outlooks" from credit rating agencies.

- Credit Default Swap spreads that may give early warning of likely changes in credit ratings.
- sovereign ratings to select counterparties from only the most creditworthy countries.

6.9 This modelling approach combines credit ratings, and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will, therefore, use counterparties within the following durational bands

- Yellow 5 years \*
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

6.10 The creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

6.11 Typically, the minimum credit ratings criteria the Council uses will be a Short-term rating (Fitch or equivalents) of F1, and a Long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

6.12 All credit ratings will be monitored monthly. The Council is alerted to changes to ratings of all three agencies through its use of the creditworthiness service. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer-term change) are provided to officers almost immediately after they occur and this information is considered before dealing.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

6.13 Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data and market information, and information on any external support for banks to help support its decision-making process.

## **Country limits**

- 6.14 The Council will only use approved counterparties from countries with a minimum sovereign credit rating of AA-, based on the lowest available rating. However, this policy excludes UK counterparties. The list of countries that qualify using this credit criteria as at the date of this report are shown in the Appendix. This list will be amended by officers should ratings change in accordance with this policy.
- 6.15 In addition:
- no more than £15m will be placed with any non-UK country at any time.
  - the limits will apply to a group of companies.
  - sector limits will be monitored regularly for appropriateness.

## **Investment strategy**

- 6.16 The Council will manage all its investments in-house. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short to medium term interest rates.

## **Investment treasury indicator and limit**

- 6.17 The limit for the total principal funds invested for greater than 365 days is set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end. The Council is asked to approve a limit of £10m for 2021/22 and subsequent years.

£000	2022/23	2023/24	2024/25
Max. principal sums invested > 365 days	£10,000	10,000	10,000

## **End of year investment report**

- 6.18 At the end of the financial year, the Council will report on its investment activity to the Governance & Audit Committee as part of its Annual Treasury Report.

**Specified Investments** – These investments are sterling investments of not more than one year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small.

Organisation	Min. Credit Criteria	Money Limit	Maturity Limit
Banks and Building Societies (including term deposits, CDs or corporate bonds)	Yellow	£10m	1 years
	Purple	£10m	1 years
	Orange	£10m	1 year
	Blue	£10m	1 year
	Red	£7.5m	6 months
	Green	£5m	100 days
	No colour	Not to be used	
UK Government Gilts	UK sovereign rating	£10m	1 year
UK Government Treasury Bills	UK sovereign rating	£10m	1 year
UK Local & Police Authorities	N/A	Unlimited	1 years
Debt Management Agency Deposit Facility	AAA	Unlimited	6 months
Money Market Funds	AAA	£10m	Liquid
Enhanced Money Market Funds	Dark Pink / Light Pink / AAA	£10m	Liquid
Bonds issued by Multilateral Development Banks	AAA	£3m	6 months

**Non-Specified Investments** – These are investments that do not meet the specified investment criteria. A limit of the lesser of £20m or 50% of the portfolio will be held in aggregate in non-specified investments.

Organisation	Min. Credit Criteria	Money Limit	Maturity Limit
UK Local & Police Authorities	N/A	£10m	5 years
Banks and Building Societies (including term deposits, CDs or corporate bonds)	Yellow / Purple	£10m	5 years
UK Government Gilts	UK sovereign rating	£10m	5 years
UK Government Treasury Bills	UK sovereign rating	£10m	5 years
Property fund	AAA	£5m	5 years

**Notes:**

- Non U.K. country limit of £15m
- Limit in all Building Societies of £10m



The use of property funds can be deemed capital expenditure, and as such will be an application of capital resources. The Council will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be undertaken before investment of this type is undertaken.

The criteria in this appendix are intended to be the operational criteria in normal times. At times of heightened volatility, risk and concern in financial markets, this strategy may be amended by temporary operational criteria further limiting investments to counterparties of a higher creditworthiness and / or restricted time limits.

This list is based on those countries that have sovereign ratings of AA- or higher and also have banks operating in sterling markets, which have credit ratings of green or above in the Link Asset Services credit worthiness service.

<b>AAA</b>	Australia
	Denmark
	Germany
	Netherlands
	Norway
	Singapore
	Sweden
	Switzerland
<b>AA+</b>	Finland
	Canada
	U.S.A.
<b>AA</b>	Abu Dhabi (UAE)
	France
<b>AA-</b>	Belgium
	Qatar
	UK

## Appendix D – Technical reconciliations of budget requirement 2023/24

<b>Table D1 – Technical reconciliation of budget requirement</b>		
	Element	£'000
1	Revenue expenditure requirement for 2023/24	25,285
2	Collection fund deficit (business rates and Council Tax)	5,661
3	New Homes Bonus	(576)
4	Use of balances / reserves for pensions payment	(557)
5	Use of Business Rates Reserve	(5,661)
6	Use of Business Rates Pooling gain	(200)
7	Use of balances	(1,900)
<b>8</b>	<b>Budget Requirement</b>	<b>22,052</b>
9	Funded by:	
10	Government Grant (Services and Funding Guarantee)	(1,860)
11	Business Rates Baseline Funding	(4,693)
12	Business Rates Improvement	(1,563)
13	Council Taxpayers requirement (before Parish element)	(13,936)
<b>14</b>	<b>Total Funding</b>	<b>(22,052)</b>

<b>Table D2 – Technical reconciliation of Band D Council Tax</b>		
1	Council Taxpayers requirement (before Parish element)	13,936
2	Council Tax Base – Band D Properties	65,863
<b>3</b>	<b>Council Tax at Band D</b>	<b>211.59</b>

<b>Table D3 – Technical reconciliation of 2023/24 Base Budget</b>		
1	Base Budget	21,875
2	One-off items	(1,179)
3	Cost Pressures	8,628
4	Growth Items	1,400
5	Change in use of New Homes Bonus for one off investment	(778)
6	Savings	(4,661)
<b>7</b>	<b>Forecast Base Budget</b>	<b>25,285</b>

<b>Table D4 – Technical reconciliation of 2023/24 savings</b>		
1	Income from budgets overperforming in recent financial years	(550)
2	Recruitment Freeze	(500)
3	Neighbourhoods Discretionary Services reduction	(300)
4	Technical items - GF/HRA recharges	(259)
5	Recycling Kit new policy	(230)
6	CCHL Mgt fee reduction to reflect additional project mgt fees	(200)
7	Organisational Design	(200)
8	Garden Waste Charging	(200)
9	1.25% NI Reduction (Employers Rate)	(198)
10	Turnstone income	(100)
11	23/24 Fees & Charges growth reflecting higher inflation	(100)
12	Commercial review of existing income generating services	(100)
13	Overtime reduction	(100)
14	Contact & Support – service reduction	(100)
15	Consolidation of GF Housing Services	(100)
16	Reduce Energy Consumption	(100)
17	Castle Park Cricket Club Grounds Maintenance	(82)
18	Eudo Road Sports Ground rental	(80)
19	CBH SLA income from tri-annual review	(80)
20	Various Asset Management Initiatives (easements, lease regears)	(75)
21	Museums - review of service model & utilise external funding	(60)
22	Northern Gateway Sports Park increased income assumptions	(56)
23	Rowan House Refurbishment - re-profiling/cost update	(56)
24	Local Fast Fibre Network reduced income assumptions	(50)
25	Removal of Amphora Sport & Leisure Strategic Management Fee	(50)
26	Review of Tree Maintenance SLA with ECC	(50)
27	22/23 Fees & Charges mid-year review feeding into 23/24 base budget	(50)
28	Review all Fixed-Term contracts	(50)
29	Allow staff to reduce hours	(50)
30	AVC scheme & reduction in ER's NI contributions	(50)
31	Sports & Playing Fields - review GM standards & enable/empower others	(50)
32	Environmental Health – service reduction	(50)
33	Revs & Bens New Burdens Grant	(50)
34	Arts Council funding increase (21/22 budget setting)	(40)
35	Community Initiatives - utilise further external funding	(35)
36	Reduction in Community Enabling Team	(30)
37	Property Group 1 easements	(30)
38	Property Group 3 Lettings (Rent)	(30)
39	Countryside sites - commercial opportunities/model of management	(25)
40	Property Group 5 (Service Charge & NNDR)	(23)
41	Castle Park café (21/22 budget setting)	(20)
42	Payment processing system	(20)
43	Amphora dividend (Memoirs)	(15)
44	Heckworth House business rates saving (21/22 budget setting)	(15)

45	Council tax penalties	(12)
46	Car park markets and events (21/22 budget setting)	(10)
47	Property Group 0 lease regear	(10)
48	Property Group 4 (Service Charge & NNDR)	(10)
49	Shared Prosperity Fund admin grant	(10)
<b>50</b>	<b>Total Savings</b>	<b>(4,661)</b>

<b>Table D5 – Technical reconciliation of 2023-24 cost pressures and growth items</b>		
1	General Inflation (pay, contractual etc)	3,000
2	Utilities/Energy Inflation	1,533
3	Support for transformation & future budget savings	1,400
4	Waste Service - various cost pressures	864
5	Pensions (3 year up-front deficit payment)	836
6	Net Impact of Minimum Revenue Provision and Interest	731
7	2022 Actuarial Review Impact	500
8	Fuel	270
9	Sport and Leisure - various cost pressures	206
10	Council Tax Sharing Agreement	200
11	Elections	157
12	Audit Fees	150
13	Banking Charges	65
14	Insurance	51
15	Voluntary Sector Grants	35
16	Asset Valuations	16
17	Payroll System costs	14
<b>18</b>	<b>Total cost pressures and growth items</b>	<b>10,028</b>

## Appendix E - Summary Budget 2023/24

	Adjusted Base Budget	One-Off Items	Cost Pressures	Growth Items	Technical Items	Total Savings	Detailed 22/23 Budgets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate & Democratic Core	(448)		415				(33)
Executive Management Team	794		47			(7)	834
Corporate & Improvement	6,986		365			(167)	7,184
Community	1,493		434			(445)	1,482
Customer	1,931		436			(178)	2,189
Environmental (excl NEPP)	5,878	(363)	2,236			(1,192)	6,559
Place & Client	3,351	(686)	2,331	3		(1,301)	3,698
<b>Total General Fund Services</b>	<b>19,985</b>	<b>(1,049)</b>	<b>6,264</b>	<b>3</b>	<b>0</b>	<b>(3,290)</b>	<b>21,913</b>
<b>Technical Items</b>							
<b><i>Corporate Items / sums to be allocated to services</i></b>							
Procurement Savings	(108)						(108)
Investment Allowance funded by New Homes Bonus	1,323			(781)			542
Previously agreed funding for Strategic Priorities	(94)						(94)
Digital Roadmap	100						100
Fees & Charges Review & Growth	0					(250)	(250)
Senior Management Restructure	0					(200)	(200)
Inflation yet to be allocated	96	(130)	797				763
Improved Establishment Control	(10)						(10)
Rowan House	65					(65)	0
General Fund Housing Services Review	0					(100)	(100)

Energy consumption reduction	0					(136)	(136)
Overtime reduction	0					(100)	(100)
Fixed Term contracts review	0					(50)	(50)
Additional Voluntary Contribution Scheme	0					(50)	(50)
Reduced staffing hours	0					(50)	(50)
Revs & Bens New Burdens Grant	0					(50)	(50)
Council tax Penalties	0					(12)	(12)
Shared Prosperity Fund admin grant	0					(10)	(10)
Payment processing system	0					(20)	(20)
Support for transformation & future budget savings	0			1,400			1,400
<i>Non-Service Budgets</i>							
CLIA (net interest)	1,025		101				1,126
Repairs & Renewals Contribution	300						300
Minimum Revenue Provision	2,123		630				2,753
Pensions	366		836				1,202
Contribution to Bad Debts Provision	20						20
GF/HRA/NEPP Adjustment	(3,316)					(278)	(3,594)
<b>Sub-Total</b>	<b>1,890</b>	<b>(130)</b>	<b>2,364</b>	<b>619</b>	<b>0</b>	<b>(1,371)</b>	<b>3,372</b>
<b>Total incl Below the line</b>	<b>21,875</b>	<b>(1,179)</b>	<b>8,628</b>	<b>622</b>	<b>0</b>	<b>(4,661)</b>	<b>25,285</b>
<i>Funded by:-</i>							
Use of balances	(125)	125			0		0
Contribution to balances	935	(935)			279		279
Use of other Earmarked Reserves	0				(836)		(836)
Use of Reserves - Covid 19	(522)	522			(1,900)		(1,900)
Use of NNDR reserve	(4,908)	4,908			(5,661)		(5,661)
Govt - CSP Funding Guarantee Grant	0	0			(1,692)		(1,692)

Govt - Lower Tier Grant	(198)	198			0		0
Govt - Services Grant	(298)	298			(168)		(168)
Business Rates Baseline	(4,343)				(350)		(4,693)
NNDR Growth above Baseline	(1,870)				307		(1,563)
Business Rates Pooling	(200)						(200)
Council Tax	(13,300)				(636)		(13,936)
Collection fund Transfer	4,908	(4,908)			5,661		5,661
New Homes Bonus	(1,954)				1,378		(576)
<b>Total</b>	<b>(21,875)</b>	<b>208</b>	<b>0</b>	<b>0</b>	<b>(3,618)</b>	<b>0</b>	<b>(25,285)</b>



## Appendix F - 2023/24 General Fund Budgets

		Direct Budgets			Non-Direct Budgets	
	Area	Spend	Income	Net	Net	Total
		£'000	£'000	£'000	£'000	£'000
	<b>Corporate &amp; Democratic Core</b>	537	(570)	(33)	2,908	2,875
	<b>Total</b>	<b>537</b>	<b>(570)</b>	<b>(33)</b>	<b>2,908</b>	<b>2,875</b>
	<b>Executive Management Team</b>					
	EMT	834	-	834	(834)	-
	<b>Total</b>	<b>834</b>	<b>-</b>	<b>834</b>	<b>(834)</b>	<b>-</b>
	<b>Community</b>					
	Assistant Director	174	-	174	(174)	-
	Licencing, Food & Safety	545	(583)	(38)	314	276
	Community Safety	100	-	100	3	103
	Environmental Health Services	415	(66)	349	124	473
	Building Control	464	(564)	(100)	266	166
	Community Initiatives	351	(1)	350	184	534
	Private Sector Housing	552	(174)	378	103	481
	Bereavement Services	1,159	(2,024)	(865)	273	(592)
	Cultural Services	631	(96)	535	1,054	1,589
	Colchester Museums	33	(594)	(561)	39	(522)
	<b>Subtotal</b>	<b>4,424</b>	<b>(4,102)</b>	<b>322</b>	<b>2,186</b>	<b>2,508</b>
	Colchester & Ipswich Museums	2,420	(1,260)	1,160	799	1,959
	<b>Total</b>	<b>6,844</b>	<b>(5,362)</b>	<b>1,482</b>	<b>2,985</b>	<b>4,467</b>
	<b>Customer</b>					
	Assistant Director	169	-	169	(169)	-
	Accounts & Debt	797	(165)	632	(632)	-
	Local Taxation & NNDR	615	(750)	(135)	627	492
	Benefits & Hub	928	(188)	740	(740)	-
	Contact & Support Centre	1,112	(30)	1,082	(1,082)	-
	Electoral Services	562	(3)	559	76	635
	Customer Digital & Systems	174	-	174	(174)	-
	Land Charges	147	(299)	(152)	152	-
	<b>Subtotal</b>	<b>4,504</b>	<b>(1,435)</b>	<b>3,069</b>	<b>(1,942)</b>	<b>1,127</b>
	Benefits - Payments & Subsidy	32,491	(33,371)	(880)	656	(224)
	<b>Total</b>	<b>36,995</b>	<b>(34,806)</b>	<b>2,189</b>	<b>(1,286)</b>	<b>903</b>
	<b>Environment</b>					
	Assistant Director	168	-	168	(168)	-
	Neighbourhood Services	13,878	(4,877)	9,001	3,072	12,073
	Car Parking	1,089	(3,699)	(2,610)	888	(1,722)
	<b>Subtotal</b>	<b>15,135</b>	<b>(8,576)</b>	<b>6,559</b>	<b>3,792</b>	<b>10,351</b>

		Direct Budgets				Non-Direct Budgets	
	Parking Partnership (NEPP)	4,301	(4,340)	(39)		81	42
	<b>Total</b>	<b>19,436</b>	<b>(12,916)</b>	<b>6,520</b>		<b>3,873</b>	<b>10,393</b>
	<b>Place &amp; Client</b>						
	Assistant Director	163	-	163		(163)	-
	Place Strategy	658	-	658		115	773
	Housing	2,887	(1,341)	1,546		(190)	1,356
	Planning	1,297	(1,415)	(118)		701	583
	Sustainability & Climate Change	274	(16)	258		14	272
	<b>Subtotal</b>	<b>5,279</b>	<b>(2,772)</b>	<b>2,507</b>		<b>477</b>	<b>2,984</b>
	<i>Company Related:-</i>						
	Client - Commercial Company	1,846	(302)	1,544		(1,846)	(302)
	Corporate Asset Management	2,221	(308)	1,913		(1,835)	78
	Commercial & Investment	1,252	(4,343)	(3,091)		2,517	(574)
	Sport & Leisure	6,857	(6,032)	825		2,075	2,900
	<b>Total</b>	<b>17,455</b>	<b>(13,757)</b>	<b>3,698</b>		<b>1,388</b>	<b>5,086</b>
	<b>Corporate &amp; Improvement</b>						
	Assistant Director	153	(129)	24		(153)	(129)
	Finance	1,164	(211)	953		(953)	-
	ICT	2,864	(464)	2,400		(2,400)	-
	People and Performance	854	(164)	690		(726)	(36)
	Governance	3,126	(442)	2,684		(2,624)	60
	Communications	663	(230)	433		(433)	-
	<b>Total</b>	<b>8,824</b>	<b>(1,640)</b>	<b>7,184</b>		<b>(7,289)</b>	<b>(105)</b>
	<b>Total (excl. NEPP)</b>	<b>86,624</b>	<b>(64,711)</b>	<b>21,913</b>		<b>1,664</b>	<b>23,577</b>

\* Non-direct budgets reflect recharges between service areas and technical accounting charges. These are shown to present the full cost of services

## Appendix G - Reserves, Provisions and Balances

	2021/22	2022/23	2023/24
	Actual	Forecast	Forecast
	£'000	£'000	£'000
General Fund Balance	2,160	2,160	2,160
Future budget reserve	6,862	2,117	1,217
Redundancy Provision	1,000	750	500
Risk Allocation - Available for revenue purposes	515	515	515
NEPP/CIMS Ring-Fenced Reserves etc	252	252	252
Pension Fund Deficit	2,279	2,279	1,722
Repairs & Renewals Fund	3,182	3,182	2,658
Insurance Reserve	739	739	739
Capital Expenditure Reserve	516	516	516
Gosbecks Reserve	114	114	114
Revenue Grants Unapplied	4,869	4,869	4,869
Decriminalisation Parking Reserve	336	336	336
Business Rates Reserve	9,918	10,918	6,918
Revolving Investment Fund Reserve	2,056	2,056	2,056
Other Reserves	305	305	305
<b>Total General Fund Reserves</b>	<b>35,103</b>	<b>31,108</b>	<b>24,877</b>
Housing Revenue Account Balance	4,555	4,555	4,555
Housing Revenue Account Retained Right To Buy Receipts – Replacement & Debt	7,712	6,637	5,338
<b>Total Housing Revenue Account Reserves</b>	<b>12,267</b>	<b>11,192</b>	<b>9,893</b>
<b>Total Reserves</b>	<b>47,370</b>	<b>42,300</b>	<b>34,770</b>

## Appendix H – Allocation of New Homes Bonus

	Allocation of New Homes Bonus	2023/24	2024/25	2025/26	2026/27	2027/28
		£'000	£'000	£'000	£'000	£'000
1	New Homes Bonus	576	550	550	550	550
2	Allocated to:-					
3	Feasibility costs	250	250	250	250	250
4	Affordable housing allocation	34	50	50	50	50
5	Support to Tendring Colchester Borders & Local Plan	250	250	250	250	250
6	Support for one-off schemes (see below)	42	0	0	0	0
7	<b>Total allocation</b>	<b>576</b>	<b>550</b>	<b>550</b>	<b>550</b>	<b>550</b>
	<b>Use of NHB allocation for one-off schemes</b>					
8	Support for one-off schemes	42	0	0	0	0

## Appendix J

Transformation Budget Savings 2023/24 onwards. Non-transformational see Appendix D4.

Strategy Theme	Council wide staffing		
Introduction	£25.8m of the Council's spend is on staffing. Savings can be made across the whole organisation through initiatives to manage the staffing budgets. The following workstreams will reduce staffing expenditure.		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Recruitment freezes for external appointments	<ul style="list-style-type: none"> <li>Staff turnover rate 15% (ex H&amp;S and income generation).</li> <li>Freeze the recruitment of external appointments except for roles required for health and safety, income generation, are fully externally funded or in specialist technical areas.</li> <li>We will encourage and help staff on permanent contracts to be flexibly employed and re-trained where required to move around and within the organisation where needed.</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Reprioritise activities or reduce quality-of-service delivery</li> </ul>	500	0
Review all fixed term contracts	<ul style="list-style-type: none"> <li>We have numerous fixed term contracts that will be reviewed on an individual and service basis to reduce the number that need to be extended.</li> <li>Use external funding to pay for permanently employed staff (risk if external funding ceases).</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>As fixed term contracts end areas of work will need to be reduced or reprioritised. Loss of external funding</li> <li>Reduction in capacity for service delivery</li> </ul>	50	0
Reduce overtime budgets	<ul style="list-style-type: none"> <li>We will review all overtime budgets and spend</li> <li>Reduce budgets if work could be reduced or reprioritised</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Reduction in capacity for service delivery</li> </ul>	100	0
Reduction of staffing hours worked	<ul style="list-style-type: none"> <li>Allow staff to reduce paid hours in a fair and flexible way</li> <li>Need commitment for a full year's reduction in hours</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Reduction in capacity for service delivery</li> </ul>	50	0
Reduce employers NI contributions	<ul style="list-style-type: none"> <li>Option for staff to make Additional Voluntary Contributions to their pension through a new salary sacrifice scheme This in turn will reduce employers NI contribution and results in a saving.</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Take up uncertain</li> </ul>	50	0
<b>Sub total:</b>		<b>750</b>	<b>0</b>

Strategy Theme	Collaboration across service and system partners		
Introduction	Empower, support, and enable system partners and communities to use their agility, resources, and skills to find solutions themselves and build self-reliance. We recognise that with appropriate resources they may be able to deliver more efficiently at a local level. This will allow us to minimise or co-produce services within a citizen led model resulting in system partners and communities fostering a sense of independence, pride, and possibilities.		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Review maintenance SLA with ECC	<ul style="list-style-type: none"> <li>Deliver the ECC service level agreement to maintain verges and trees so that it is no longer subsidised. (E.g. the SLA funding provided is for two cuts in urban areas per year. We currently undertake 12-14 cuts per year).</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Enquiries about standards by public and members (Visibility splays will be cut frequently to maintain safety.)</li> <li>Requires ECC support.</li> </ul>	50	50
Reduce Community Enabling Team resource	<ul style="list-style-type: none"> <li>Community Enabling Team external funding raised</li> <li>Through our Community Can approach (ABCD), we work with partners to empower and enable residents</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>External funding not available medium to longer term.</li> <li>Reduction in capacity whilst maintaining service delivery</li> </ul>	65	0
Reduce spend on the Disabled Facilities Grant (DFG) service	<ul style="list-style-type: none"> <li>Maximise cost recovery from DFG grant</li> <li>A Home Improvement Agency (as other councils). Resource still needed to monitor contract performance</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Cost recovery will be investigated in business case</li> <li>Loss of experienced staff (hard to recruit area)</li> </ul>	0	68
Reduce CCC spend on countryside sites	<ul style="list-style-type: none"> <li>Use commercial opportunities and mode of management / ownership; consideration of increasing commerciality of Mersea Beach Huts and Mersea Pontoon.</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Beach Hut agreement changes require 12-month notice.</li> </ul>	25	25
Reduce CCC spend on sports and playing fields	<ul style="list-style-type: none"> <li>Review standards of grounds maintenance. Enable and empower Parish Councils/Sports Clubs to take on management or ownership with an appropriate payment.</li> </ul> <b>Risk:</b> <ul style="list-style-type: none"> <li>Criticism of standards</li> <li>Groups' 23/24 budgets already set. Mitigated by the Council providing some start-up funding.</li> </ul>	50	50
<b>Sub total:</b>		<b>190</b>	<b>193</b>

Strategy Theme	Funding Strategy and Reserves		
Introduction	We pay a core management fee to our Amphora subsidiaries, as well as project management fees. We will review these arrangements to ensure there is no duplication and that value for money is maintained.		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Reduce project management fee to Amphora	<ul style="list-style-type: none"> <li>• Reduce the core management fee to Amphora to reflect additional project management fees paid to subsidiaries</li> </ul> <b>Risks</b> <ul style="list-style-type: none"> <li>• Loss of income to Amphora</li> </ul>	200	0
<b>Sub total:</b>		<b>200</b>	<b>0</b>

Budget Strategy Theme	Fees and Charges / Commercialising CCC Services		
Introduction to Theme	We will review our ability to provide discretionary services that have previously been free of charge or below the market rate. Fees and charges will be increased or introduced to maintain these services. We will focus on our commercial activities to enable us to be sustainable and self-sufficient based on an income generating capability and ensure our fees and charges keep pace with inflationary pressures.		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
2022/23 mid-year review of fees and charges	<ul style="list-style-type: none"> <li>• Mid-year review has happened to reflect inflationary factors</li> <li>• Additional income 22/23 then allows us to increase the baseline income assumptions for 23/24</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• Demand for services falls due to increased fee charged. Mitigated by reviewing each fee and charge individually.</li> </ul>	50	0
2023/24 review of fees and charges	<ul style="list-style-type: none"> <li>• Increase fees and charges for 23/24 by inflation</li> <li>• Currently assume a 2.5% increase</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• Demand for services falls due to increased fee charged. Mitigated by reviewing each fee and charge individually</li> </ul>	100	0
Commercial review of existing income generating services	<ul style="list-style-type: none"> <li>• Areas identified for additional income are activities in Colchester Museum and commercial opportunities in Castle Park, Café, Boating Lake and Bowling Club</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• Revenue or capital costs for some proposals to improve commercial offering and legal compliance</li> </ul>	100	100
New income from Eudo Road Tennis Centre	<ul style="list-style-type: none"> <li>• Now rented out part of the Eudo Road Sports Ground</li> <li>• With full planning approval additional 25-50% rent income</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• The level of income depends on whether the Padel Tennis provider can get planning permission</li> <li>• First 3 months will be rent free affecting income 23/24</li> </ul>	80	0
Charge for Garden Waste	<ul style="list-style-type: none"> <li>• Charging for discretionary services currently provided free of charge.</li> <li>• Budget assumes 5% take-up in Season 1 (2023/24), and 21% in 2024/25.</li> <li>• Budget is income less Credit Claim, based on above percentage assumptions.</li> <li>• The budget assumes revenue costs remain the same (i.e. fuel and staffing), until such time as the customer base is stabilised and routes are re-optimised</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• Income forecast has been based on numerous assumptions and will be subject to change.</li> <li>• The current economic climate may impact take-up, considering this is discretionary spend.</li> <li>• Consultation on the Environment Act 2021 has not ended. If the act does not allow charging in future years new burdens funding is likely to be offered.</li> </ul>	200	725



	<ul style="list-style-type: none"> <li>Fly tipping of green waste may initially increase</li> </ul>		
Charge residents for Recycling Kit	<ul style="list-style-type: none"> <li>Develop and introduce a new policy for the provision of recycling kit.</li> <li>All options to be explored</li> <li>Residents can use any suitable items to contain and present recycling.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>Recycling kit costs fluctuate.</li> <li>The current economic climate may impact sales.</li> <li>Credit claim may reduce if recycling tonnages reduces.</li> <li>The Environment Act 2021 (as above).</li> </ul>	230	0
Revs and Bens New Burdens Grant	<ul style="list-style-type: none"> <li>This is anticipated income for the administration of Business Grant reconciliation work, Council Tax rebates and new alternative energy schemes</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>This is one off income in 2023/24</li> </ul>	50	0
Council Tax penalties	<ul style="list-style-type: none"> <li>New Council Tax penalties for residents claiming discounts and exemptions which they no longer qualify for.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>Some residents may find it difficult to pay penalties</li> </ul>	12	0
Shared Prosperity Fund admin grant	<ul style="list-style-type: none"> <li>Some of the Shared Prosperity Fund admin grant can be used as income</li> <li>The admin work that is being done internally can be absorbed within current workloads.</li> <li>The remainder of the admin grant is needed for external consultancy work.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>This is low risk one off income in 2023/24</li> </ul>	10	0
<b>Sub total:</b>		<b>832</b>	<b>825</b>

Strategy Theme	Service Rationalisation and Organisational Development		
Introduction to Theme	<p>Over the years we have provided a broad range of high quality statutory and discretionary services. Our financial challenges mean we can no longer provide such a broad range at the same levels, and we now need to reprioritise these. We will review services and provide what is essential at acceptable levels to meet our statutory requirements and deliver against our Strategic Plan.</p> <p>As an organisation we have become more streamlined and less hierarchical, making continued efficiencies.</p> <p>We are making further savings in the workstreams detailed in this section.</p>		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Organisational Design	<ul style="list-style-type: none"> <li>Senior Management Team (SMT) structure has been reviewed, redesigned to a new Senior Board Structure. The resulting team has reduced from nine roles to six roles with an overall saving of £200K.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>The team has reduced by a third so there is less overall capacity and resilience, but this has been mitigated by distributing leadership and decision making to service delivery leads.</li> </ul>	200	0
Sport and Leisure - New service model	<ul style="list-style-type: none"> <li>Sport and Leisure will create a more efficient staffing structure and service model</li> <li>There is confidence that service levels and associated income can be maintained</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>The savings will rely on a further service review and the implementation of a new technology system for sport and leisure</li> </ul>		200
New refuse and recycling service	<ul style="list-style-type: none"> <li>A new refuse and recycling strategy will be developed with anticipated reduced running costs.</li> <li>It will be a strategy fit for a modern and green city</li> <li>We will look at options to improve staff welfare and provide a resilient service, whilst aiming to improve recycling rates</li> <li>Numerous options to be considered in a phased approach.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>The Environment Act 2021 (see above).</li> <li>Depending on the model capital and revenue investment may be needed.</li> </ul>		1000
Neighbourhood Services - Discretionary service reductions	<ul style="list-style-type: none"> <li>A review will be undertaken, and the services will be reprioritised and a new service plan created matching the new levels of capacity.</li> <li>There will need to be reductions in staff to deliver this saving</li> </ul> <p><b>Risks:</b></p>	300	0

	<ul style="list-style-type: none"> <li>• This is likely to result in an overall reduction in service quality and level.</li> <li>• Staff will be less able to take on partnership, community, or engagement activities</li> <li>• There may be redundancies and associated cost.</li> </ul>		
Contact and Support - service reduction	<ul style="list-style-type: none"> <li>• A review is being done on current opening hours for the telephone contact centre which will include response rates for telephony and emails. It is likely that there will be an improved pattern of opening hours and increased response rates.</li> <li>• New customer service standards will be developed and published which will include new opening times and updated response times.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Need to implement the new service approach.</li> </ul>	100	100
Consolidation of housing functions in CCC and CBH	<ul style="list-style-type: none"> <li>• We will consolidate some General Fund housing services which are currently distributed across both CBH and CCC in multiple departments</li> <li>• By consolidating them, duplication and management costs can be reduced</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Impacts need to be identified and risks will be mitigated by generating efficiencies from management and reduced duplication</li> </ul>	100	100
Museums - service reorganisation	<ul style="list-style-type: none"> <li>• Increase income targets, utilise business rate savings and improve income generation through digitisation and fundraising</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Relationship management</li> </ul>	60	0
Museums – service remodelling	<ul style="list-style-type: none"> <li>• Review our service model to improve efficiency</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Relationship management</li> </ul>	0	100
Environmental Health - service reduction	<ul style="list-style-type: none"> <li>• Review to reduce the FTE in Environmental Protection and Food Safety by 0.5 FTE each</li> <li>• Increase income for PSH by £17K</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Redundancy and reduced capacity.</li> </ul>	50	0
<b>Sub total:</b>		<b>810</b>	<b>1,500</b>

Strategy Theme	Asset Management		
Introduction to Theme	CCC owns a significant number of land and property assets which can be used to bring in income. By proactively managing these assets, income can be maximised, and costs reduced.		
Identified savings			
Title of saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Property Group 0 lease Re-gear	<ul style="list-style-type: none"><li>One off premium</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	10	0
Property Group 1	<ul style="list-style-type: none"><li>Planning permission has been granted</li><li>One off £30K premium agreed if it proceeds</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	30	0
Property Group 2 Other asset management initiatives	<ul style="list-style-type: none"><li>Arising in year includes easement requests, lease re-gears</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	75	0
Property Group 3	<ul style="list-style-type: none"><li>3 units available</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	30	0
Property Group 4 lettings service charge and NNDR income	<ul style="list-style-type: none"><li>Service charge and NNDR income on 3 units to be let</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	10	0
Property Group 5 service charge and NNDR income	<ul style="list-style-type: none"><li>NNDR saving of £8K per annum and Service charge of £15K income on property to be let</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Normal commercial considerations.</li></ul>	23	0
Reduce energy consumption	<ul style="list-style-type: none"><li>We are currently recruiting an Energy Manager to identify opportunities to reduce energy usage</li><li>Early innovation ideas could include speed/RPM control motor for pool heating at Leisure World which will reduce energy use</li></ul> <b>Risks:</b> <ul style="list-style-type: none"><li>Inevitably some savings will require capital investment first, e.g. sub-meters</li><li>Some options may require a reduction in opening times for services, or more attention to patterns of use and energy “awareness”</li></ul>	100	100
Sub total:		278	100

Strategy Theme	Digital Innovation		
Introduction	We have been ahead of the curve in local government in digital development and transformation. We have been upgrading internal infrastructure and using new cloud-based systems to run and deliver our services. We have been (and still are) replacing old legacy systems which have become expensive and no longer supported. Next generation digital solutions are being fully implemented and adopted which will enable us to optimise and automate our services. This will also enable shared services with other LA's.		
Saving	Benefits, Issues, Risks and Impact	23/24 £000's	24/25 £000's
Payment processing system	<ul style="list-style-type: none"> <li>Review of the costs of processing payments and the assessment has found potential savings of £40K</li> <li>Merchant services transfer process will be fully managed and paid for by Lloyds Bank</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Procurement and Legal requirements to finalise</li> </ul>	20	20
Sport and Leisure system review	<ul style="list-style-type: none"> <li>Review all Sport and Leisure systems and options which will be modern and should be more efficient</li> <li>New Sport and Leisure systems should also enhance and enable increased income for the service</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Need to ensure staff are trained and able to run/develop new systems for resilience and digital focus.</li> </ul>	0	50
Contact and Support telephony automation	<ul style="list-style-type: none"> <li>The replacement of an outdated and limited-support contact centre (Voice Only) with a full Contact Centre (Voice / Email / Chat Bot / Agent Chat) will enable more automation and should lead to resource efficiencies.</li> <li>There will be more options to develop and build automation and optimisation for customer contact</li> <li>Phase 1 early 2023 Voice, Email, and Secure Pay. Phase 2 Chat Bot, Agent Chat, Social Media 23-24.</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Contact and Support large change programme</li> </ul>	0	20
New Finance system	<ul style="list-style-type: none"> <li>There is a procurement saving as we implement a new finance system</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Other demands on scarce finance team resources</li> </ul>	0	25
New Finance system process efficiencies	<ul style="list-style-type: none"> <li>New system more efficient processes and automation</li> <li>New processes to illuminate data input and duplication</li> <li>Processes and e-communications will cut out costs in staff resources and print and post</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>Other demands on scarce finance team resources</li> </ul>	0	25

<b>Sub total:</b>	<b>20</b>	<b>140</b>
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<b>Total: (£000's)</b>	<b>3,080</b>	<b>2,758</b>
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## **Appendix K**

### **Transformation Savings EIAs for:**

- |   |             |
|---|-------------|
| <b>1. Council wide staffing</b>                         | pages 2-13  |
| <b>2. Reduce Community Enabling resource</b>            | pages 14-21 |
| <b>3. Reduce CCC spend on Countryside sites</b>         | pages 22-26 |
| <b>4. Reduce CCC spend on Sports and Playing fields</b> | pages 27-31 |
| <b>5. Charge for Garden Waste</b>                       | pages 32-36 |
| <b>6. Charge residents for Recycling Kit</b>            | pages 37-42 |
| <b>7. Council Tax Penalties</b>                         | pages 43-47 |
| <b>8. Organisational Design</b>                         | pages 48-54 |
| <b>9. Contact and Support service reduction</b>         | pages 55-63 |
| <b>10. Environmental Health Service reduction</b>       | pages 64-68 |

# Equality Impact Assessment Form - An Analysis of the Effects on Equality

## Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed:

1. What is the main purpose of the policy? **Council wide staffing**

A large proportion of the council's spend is on staff resources and, in adopting some initiatives to manage the staffing budgets, savings can be made across the whole organisation. We aim to reduce spend on our staff resources budget in a carefully reviewed and managed way through the following workstreams:

- Recruitment freeze for external appointments
- Review all fixed term contracts
- Reduce overtime budgets
- Reduction of staffing hours worked
- Reduce employers NI contributions through promotion of AVCs for the pension scheme

2. What main areas or activities does it cover?

- Recruitment



- Overtime
- Flexible working
- LGPS Pension guidance

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

There are HR policies that cover the above i.e. flexible working policies and guidance, overtime, recruitment and pension guidance. The transformation budget savings council wide staffing theme brings together all these policies into one plan to deliver budget efficiencies and reduce staffing costs.

4. Who are the main audience, users or customers who will be affected by the policy?

The policies and guidance documents listed above are relate to managers, staff, potential and current employees. There is a link to service provision and our customers as the overall theme in the budget plan is to reduce staffing costs. A reduction in staff costs can only be delivered by reducing staff which may impact on the level of service and/or customer standards that can be provided to our residents.

5. What outcomes do you want to achieve from the policy?

A total of £750k in budget savings has been allocated against this theme broken down as follows:

- Recruitment freeze - £500k
- Review of fixed term contracts - £50k
- Reduction in overtime budgets - £100k
- Reduction in staffing hours through offering flexible working/retirement - £50k
- Reduction in national insurance contributions through promotion of pension AVCs - £50k.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

Although this theme sits with People and Performance, the budget efficiencies will only be delivered through a collective effort of service managers led by GMTs.

The council works in partnership with several agencies to delivery services and support communities. There will be many opportunities to deliver services differently by working as a system. Although not part of this theme directly, some of reduction in the workforce may be mitigated by working more effectively in a system partnership.

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

There are EQIA's available for each of the HR policies linked to this theme

8. The 'general duty' states that we must have "due regard" to the need to:

(a) eliminate unlawful discrimination, harassment and victimisation

(b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>

(c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

The 3 principle duties of the Equality Act will be keenly observed when developing guidance, policies and processes to deliver this budget theme and will ensure that our practices do not discriminate in respect of the protected characteristics enshrined within the Equality Act and employment law.

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<sup>1</sup>Click on [Customer Insight](#) for more information. The Council's surveys and consultations include 'equality monitoring information' to help us identify any particular concerns or views expressed by any particular group or 'protected characteristic'. It can also help us to assess how representative of our customers the respondent group is. Local data on the 'protected characteristics' is available [on this page](#) of Sharepoint.

<sup>2</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

<sup>3</sup> This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a 'protected characteristic' that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant 'protected characteristic' that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant 'protected characteristic' to participate in public life or in any other activity in which participation by such persons is disproportionately low.

<sup>4</sup> This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

There is no direct connection to improving/reducing health inequalities for residents under this budget theme. However, reducing staffing in the Council to deliver budget savings could potentially impact on the support we can give to residents to improve/reduce health inequalities in our communities, and we will need to be mindful of the impact service reductions and have due regard to our duty under the Equality Act 2010 when making decisions on staff reductions.

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<sup>5</sup> The King's Fund: [The district council contribution to public health: a time of challenge and opportunity, 2015](#)

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

*Remember to include reference to any relevant consultation, data or information.*

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Age	Older people (60+)	Yes	Under the theme reducing staffing hours by offering flexible working, staff over 55+ may be able to flexibly retire and access their LGPS pension early whilst continuing employment although certain criteria related to pension costs will apply under the councils pension discretionary policy.	Yes	The pension discretionary policy states that any pension strain arising from flexible retirement must be paid within 3 years through a reduction in salary/hours. If this criteria is not met then flexible retirement will not be an option.
	Younger people (17-25) and children (0-16)	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression.	Yes	The recruitment freeze may impact on younger people who wish to start a career in local government or through an apprenticeship scheme.  The review of fixed term contracts may mean that staff may need to leave the council at the end of the contract. This will apply across the board but may impact on younger staff more who are likely to be on short term contracts.
Disability	Physical	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may	Yes	The recruitment freeze may impact on people who have a physical, sensory , learning disability or poor mental health and who have the skills to work in the
	Sensory				
	Learning				

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
	Mental health issues		open up other opportunities and progression.		council, as recruitment and new opportunities may be limited.
	Other – <i>specify</i>				<p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p> <p>Existing staff who have poor mental health may be impacted by the reduction in staffing and this will have to be managed robustly to ensure poor mental health is not exacerbated. The council has a duty to protect the wellbeing of their staff.</p>
Ethnicity <sup>6</sup>	White	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for ethnic minority staff.	Yes	<p>The recruitment freeze may impact on people with an ethnic background who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>
	Black				
	Chinese				
	Mixed Ethnic Origin				
	Gypsies/ Travellers				
	Other – <i>specify</i>				

<sup>6</sup> National Census 2011 categories are: Bangladeshi, Indian, Pakistani, Other Asian (Asian or Asian British), African, Caribbean, Other Black (Black or Black British), White and Black African, White and Asian, White and Black Caribbean (Mixed), British, Irish, Other White (White), Chinese, Other (Other Ethnic Group).

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Language	English not first language	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for staff whose English is not their first language.	Yes	<p>The recruitment freeze may impact on people whose English is not their first language and who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	Yes	Staff who are pregnant or recently given birth will be protected from the impact of staff reductions under the Equality Act and employment law.	Yes	Staff who are in late stages of pregnancy or on maternity leave may not be believe they are able to benefit from the development opportunities that may arise from the recruitment freeze.
Religion or Belief	People with a religious belief (or none)	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for staff with a particular religious belief or none.		<p>The recruitment freeze may impact on people with a particular religious belief (or non) and who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Sex	Men	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for male staff.	Yes	<p>Overtime tends to be worked in our operational services where the workforce tend to be mainly male. A reduction in overtime may impact more on male staff than female staff.</p> <p>The Council's frontline operational services tend to have more male staff working in them. The opportunity to work more flexibly and reduce hours is more limited in the council's operational services.</p>
	Women	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for female staff.	No	

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for transgender/transsexual staff.	Yes	<p>The recruitment freeze may impact on Transgender/transsexual people and who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for bisexual/ gay/lesbian and heterosexual staff.	Yes	<p>The recruitment freeze may impact on bisexual/gay or lesbian or heterosexual people and who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>

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<sup>7</sup> The 'protected characteristic' of gender reassignment is defined by the Equality Act 2010 as "a person proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex." This is a personal process that may involve medical interventions such as counselling, psychotherapy, hormone therapy or surgery, but does not have to.



'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Marriage and Civil Partnership	People who are married or in a civil partnership	Yes	The recruitment freeze will necessitate the training and development of our workforce to enable staff to be re-deployed into priority roles. This may open up other opportunities and progression for staff married or in civil partnerships.	Yes	<p>The recruitment freeze may impact on candidates who are married or in a civil partnership who have the skills to work in the council, as recruitment and new opportunities may be limited.</p> <p>The recruitment freeze will impact on the EDI priority to become a more inclusive organisation that represents the communities we serve.</p>

11. If you have identified any negative impacts (above), how can they be minimised or removed?

The council will need to have due regard to its public duty under the Equality Act 2010 and in particular to eliminate unlawful discrimination, harassment and victimisation and advance equality of opportunity between people who share a 'protected characteristic'<sup>8</sup> and those who do not in the implementation of the budget plans.

Each decision will need to be considered on a case-by-case basis to ensure that detriment is not experienced by staff/candidates with a protected characteristic, is not discriminatory and can be objectively justified.

The impact of the reduction on staffing will need to be monitored closely to ensure staff with protected characteristic are not disadvantaged compared with those who do not have a protected characteristic.

If staffing is significantly reduced in a service that support vulnerable residents or those with a particular characteristic, a full EQIA should be conducted to assess the impact of the decision.

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<sup>8</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

2. Could the policy discriminate<sup>9</sup> against any 'protected characteristic', either directly or indirectly<sup>10</sup>?  
No the policy should not discriminate against any protected characteristic.

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed X	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

Jessica Douglas, Strategic People and Performance Manager

15. Date of completion:

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<sup>9</sup> The Council has a general duty to 'eliminate unlawful discrimination, harassment and victimisation'. Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their 'protected characteristic' whether on grounds of age, disability, pregnancy and maternity, ethnicity; religion or belief; sex (gender), sexual orientation, or marriage and civil partnership. Indirect discrimination occurs when an apparently neutral provision or practice would nevertheless disadvantage people on the grounds of their 'protected characteristic'.

<sup>10</sup> If you answer 'yes' to question 11 (above) you will need to complete the following section *and* go on to complete Section 2 in order to conduct a full Equality Impact Assessment.

30 December 2022

16. Date for update or review of this screening<sup>11</sup>:

30 December 2023

*If you have selected A or B (above), you have completed the assessment and can remove this paragraph and everything that appears below. In this case please:(a) send a copy to the relevant Assistant Director and the Equality and Safeguarding Officer; (b) arrange for it to be published on the Council's website [here](#) (under the relevant service area heading); and (c) update the Corporate Spreadsheet by clicking [here](#) and selecting and updating the first document. If you have selected C or D (above), you must complete Section Two (below).*

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<sup>11</sup> This is normally three years, but not always: You may know that the policy itself will be reviewed earlier in which case the EqlA should be reviewed at that time. Or, in the case of a five year strategy, you may want to have a review date of five years. In the case of a “one off” decision, such as closing a service, a review date may not be needed - in which case you should indicate ‘N/A’. In any event, the review date should be brought forward if you receive information or feedback which raises new concerns, or if the public policy context changes. You can speak to the [Equality and Safeguarding Co-ordinator](#) for more advice.

# Equality Impact Assessment Form - An Analysis of the Effects on Equality

## Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed:

Transformation Budget Savings – **Community Enabling Team Resource**

1. What is the main purpose of the policy?

To reduce the baseline budget across the service by £65k by introducing new ways of working and maximising externally funding

2. What main areas or activities does it cover?

The Community Enabling Team that cover the below main functions:

- S106
- Voluntary Welfare Grants
- Locality Budgets
- Resettlement & Asylum Seeker Schemes
- Local Delivery Pilot
- Public Health
- Reducing inequalities
- Member and Community engagement
- Crisis management – e.g Covid response & Homes 4 Ukraine
- Armed Forces support & advice
- Alliance Neighbourhood support
- Asset Based Community Development – Communities Can..
- One Colchester and System Wide support

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

This is a new approach to ways of working in these service areas.

4. Who are the main audience, users or customers who will be affected by the policy?

The team work closely with Residents, Communities and their leaders, Partner organisations, Members, Senior Leadership Team and teams across the Council and Colchester Borough Homes.

5. What outcomes do you want to achieve from the policy?

To ensure we continue to provide a professional service to residents, partners & Council team in a more streamline way maximising all external funding opportunities and sharing system resources.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

The team work closely with Communities and their leaders, Partner organisations, Members, Senior Leadership Team and teams across the Council. So any reduction in service provision will have a wide impact and a reduction to the support offered across the System in Colchester.

7. Are you aware of any relevant information, data, surveys or consultations<sup>12</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

Positive informal feedback from Essex County Council and other partner organisations and community groups.

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<sup>12</sup>Click on [Customer Insight](#) for more information. The Council's surveys and consultations include 'equality monitoring information' to help us identify any particular concerns or views expressed by any particular group or 'protected characteristic'. It can also help us to assess how representative of our customers the respondent group is. Local data on the 'protected characteristics' is available [on this page](#) of Sharepoint.

8. The 'general duty' states that we must have "due regard" to the need to:

(a) eliminate unlawful discrimination, harassment and victimisation

(b) advance equality of opportunity between people who share a 'protected characteristic'<sup>13</sup> and those who do not<sup>14</sup>

(c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>15</sup>

The 3 principles duties of the Equality Act will be observed when developing a new look team to deliver this budget theme.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- N/A

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- N/A

The policy helps us to 'foster good relations...' in the following way(s):

- N/A

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>16</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

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<sup>13</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

<sup>14</sup> This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a 'protected characteristic' that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant 'protected characteristic' that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant 'protected characteristic' to participate in public life or in any other activity in which participation by such persons is disproportionately low.

<sup>15</sup> This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

<sup>16</sup> The King's Fund: [The district council contribution to public health: a time of challenge and opportunity, 2015](#)

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

This teams plays a key role in improving/reducing health inequalities for residents so any reduction will have an impact on how we assist partners and work with Communities to make Colchester City a better place to live, work and visit.

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Age	Older people (60+)	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction into the CCC contribution to the Age Well & Die Well domains and our general work supporting the older residents of Colchester
	Younger people (17-25) and children (0-16)	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction into the CCC contribution to the Start Well domain and our general work supporting the younger residents of Colchester
Disability	Physical	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction into the CCC contribution to the Feel Well domain and our general work supporting residents with disabilities in Colchester
	Sensory				
	Learning				
	Mental health issues				
	Other – <i>specify</i>				
Ethnicity <sup>17</sup>	White	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting
	Black				

<sup>17</sup> National Census 2011 categories are: Bangladeshi, Indian, Pakistani, Other Asian (Asian or Asian British), African, Caribbean, Other Black (Black or Black British), White and Black African, White and Asian, White and Black Caribbean (Mixed), British, Irish, Other White (White), Chinese, Other (Other Ethnic Group).



'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
	Chinese				Faith Groups and Resettlement/Asylum Seeker schemes as a City of Sanctuary.
	Mixed Ethnic Origin				
	Gypsies/ Travellers				
	Other – <i>specify</i>				
Language	English not first language	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting Faith Groups and Resettlement/Asylum Seeker schemes as a City of Sanctuary
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction into the CCC contribution to the Start Well domain and our general work supporting new families in Colchester
Religion or Belief	People with a religious belief (or none)	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting Faith Groups and Resettlement/Asylum Seeker schemes as a City of Sanctuary.
Sex	Men	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting all residents
	Women	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting all residents

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Gender Reassignment <sup>18</sup>	Transgender/ Transsexual	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting all residents
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting all residents
Marriage and Civil Partnership	People who are married or in a civil partnership	No	There is no benefit to this group of the proposed saving	Yes	The reduction in staffing will mean a reduction in general work supporting all residents

11. If you have identified any negative impacts (above), how can they be minimised or removed?

We will continue to investigate and implement different ways of working to minimise the impact to residents

12. Could the policy discriminate<sup>19</sup> against any 'protected characteristic', either directly or indirectly<sup>20</sup>?

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<sup>18</sup> The 'protected characteristic' of gender reassignment is defined by the Equality Act 2010 as "a person proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex." This is a personal process that may involve medical interventions such as counselling, psychotherapy, hormone therapy or surgery, but does not have to.

<sup>19</sup> The Council has a general duty to 'eliminate unlawful discrimination, harassment and victimisation'. Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their 'protected characteristic' whether on grounds of age, disability, pregnancy and maternity, ethnicity; religion or belief; sex (gender), sexual orientation, or marriage and civil partnership. Indirect discrimination occurs when an apparently neutral provision or practice would nevertheless disadvantage people on the grounds of their 'protected characteristic'.

<sup>20</sup> If you answer 'yes' to question 11 (above) you will need to complete the following section *and* go on to complete Section 2 in order to conduct a full Equality Impact Assessment.

No, this change will not directly discriminate but will reduce our capacity to assist and advice to make improvements

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed X	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Michelle Tarbun, Group Manager – Communities

15. Date of completion: 11/1/23

16. Date for update or review of this screening: NA

## 2. Equality Impact Assessment Form - An Analysis of the Effects on Equality

### 1. Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed: **Reduce CCC spend on Countrywide sites**

1. What is the main purpose of the policy?

A review will be undertaken to identify commercial opportunities and mode of management / ownership; this will include the consideration of increasing commerciality of Mersea Beach Huts and Mersea Pontoon.

2. What main areas or activities does it cover?

It is proposed that commercial arrangements around Mersea Beach Huts and the usage of Mersea Pontoon are explore, with a view to generate additional revenue.

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

Yes – we currently do not have a policy of charging users of the Pontoon. We do currently charge beach hut users however any further policy changes will be subject to the review.

4. Who are the main audience, users or customers who will be affected by the policy?

- Residents who rent a beach hut
- Non – residents who rent a beach hut
- Commercial users of beach huts
- Residents and non-residents who would want to secure their tenders to the pontoon
- Visiting boat owners who would want to moor their boats for a short period of time to the pontoon
- Commercial users mooring tenders on the pontoon

5. What outcomes do you want to achieve from the policy?

A total of £25k in additional revenue has been allocated against this theme

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

- Contact and support
- Invoice management

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

No

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- It is not held this policy change will impact on this duty

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- It is not held this policy change will impact on this duty

The policy helps us to 'foster good relations...' in the following way(s):

- It is not held this policy change will impact on this duty

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:

- N/A

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)		None identified		None identified
	Younger people (17-25) and children (0-16)		None identified	X	Increased costs to clubs that currently use the pontoon for free.
Disability	Physical		None identified		None identified
	Sensory		None identified		None identified
	Learning		None identified		None identified
	Mental health issues		None identified		None identified
	Other – <i>specify</i>				
Ethnicity <sup>6</sup>	White		None identified		None identified
	Black		None identified		None identified
	Chinese		None identified		None identified
	Mixed Ethnic Origin		None identified		None identified
	Gypsies/ Travellers		None identified		None identified

	Other – <i>specify</i>				
Language	English not first language		None identified		None identified
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks		None identified		None identified
Religion or Belief	People with a religious belief (or none)		None identified		None identified
Sex	Men		None identified		None identified
	Women		None identified		None identified
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual		None identified		None identified
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian		None identified		None identified
Marriage and Civil Partnership	People who are married or in a civil partnership		None identified		None identified

11. If you have identified any negative impacts (above), how can they be minimised or removed?

Younger people (17-25) and children (0-16)		None identified	X	Increased costs to clubs that currently use the pontoon for free.
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Understand the current usage of the pontoon and offer a concession for education and training purposes. Consider charges to only be applicable at certain times of the day.

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? (Yes/No)

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed <b>X</b>	Sign off screening and finish.

C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

Nick Christo

Parks, Countryside and Greening Operations Manager

15. Date of completion:

12<sup>th</sup> January 2023

16. Date for update or review of this screening<sup>10</sup>: 11<sup>th</sup> January 2026



## 2. Equality Impact Assessment Form - An Analysis of the Effects on Equality

### 1. Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed: **Reduce CCC spend on Sports and Playing fields**

1. What is the main purpose of the policy?

A review will take place on the maintenance undertaken by the Council's Grounds Maintenance Contractor with regards to Sports Pitches during the playing season and in the off season. The review will also incorporate the transfer of management and / or ownership to others (Parish Councils / Sports Club) with an appropriate payment.

2. What main areas or activities does it cover?

It is proposed that works associated with maintenance of Sports Pitches will be reviewed including:

- Grass cutting frequency during the season
- Renovation works during the off season
- The number of sports pitches and sites available may reduce
- Parish Councils or Sports Clubs may not be able to fund / take over the management of sports pitches

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

No – further policy changes will be subject to the review changes.

4. Who are the main audience, users or customers who will be affected by the policy?

- Residents
- Sports Clubs
- Schools
- Council's Grounds Maintenance contractor

5. What outcomes do you want to achieve from the policy?

A total of £50,000 in budget savings has been allocated against this theme which can be achieved by the Council reducing it's spend on sports pitches.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

- The Council's Grounds Maintenance contractor Idverde.
- Colchester City Council's Sport and Leisure Services

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

Usage data on sports pitches is held by another service and can be obtained upon request.

8. The 'general duty' states that we must have "due regard" to the need to:

(a) eliminate unlawful discrimination, harassment and victimisation

(b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>

(c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- It is not held this policy change will impact on this duty

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- It is not held this policy change will impact on this duty

The policy helps us to 'foster good relations...' in the following way(s):

- It is not held this policy change will impact on this duty

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

- This policy will help sustain health and physical activities by continuing to provide adequate numbers of sites and sports pitches, maintained to an acceptable standard

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

*Remember to include reference to any relevant consultation, data or information.*

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3.</b> Age	Older people (60+)		None identified	X	Number of pitches accessible may reduce.
	Younger people (17-25) and children (0-16)		None identified	X	Number of pitches accessible may reduce.
Disability	Physical		None identified	X	Number of pitches accessible may reduce.
	Sensory		None identified	X	Number of pitches accessible may reduce.
	Learning		None identified	X	Number of pitches accessible may reduce.

	Mental health issues		None identified	X	Number of pitches accessible may reduce.
	Other – <i>specify</i>			X	Number of pitches accessible may reduce.
Ethnicity <sup>6</sup>	White		None identified	X	Number of pitches accessible may reduce.
	Black		None identified	X	Number of pitches accessible may reduce.
	Chinese		None identified	X	Number of pitches accessible may reduce.
	Mixed Ethnic Origin		None identified	X	Number of pitches accessible may reduce.
	Gypsies/ Travellers		None identified	X	Number of pitches accessible may reduce.
	Other – <i>specify</i>				
Language	English not first language		None identified	X	Number of pitches accessible may reduce. Printed and online information is provided in English which could impact negatively upon this group.
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks		None identified	X	Number of pitches accessible may reduce.
Religion or Belief	People with a religious belief (or none)		None identified	X	Number of pitches accessible may reduce.
Sex	Men		None identified	X	Number of pitches accessible may reduce.
	Women		None identified	X	Number of pitches accessible may reduce.
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual		None identified	X	Number of pitches accessible may reduce.
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian		None identified	X	Number of pitches accessible may reduce.

Marriage and Civil Partnership	People who are married or in a civil partnership		None identified	X	Number of pitches accessible may reduce.
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11. If you have identified any negative impacts (above), how can they be minimised or removed?

Other sports pitches will continue to be accessible for those wanting to book.

Sports clubs and Parishes will be approached to seek sharing or taking on management of sites.

Language	English not first language		None identified	X	Printed and online information is provided in English which could impact negatively upon this group.
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Website information can be translated via online translation websites/tools. Customers which first language is not English can request that letters or leaflets are provided in a preferred language. Officers have access to a range of translation tools including text translation, instant telephone translation and face-to-face translation services.

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? (Yes/No) NO

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed <b>X</b>	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

Nick Christo, Parks, Countryside & Greening Operations Manager

15. Date of completion:

12<sup>th</sup> January 2023

16. Date for update or review of this screening<sup>10</sup>: 11<sup>th</sup> January 2026

## **2. Equality Impact Assessment Form - An Analysis of the Effects on Equality**

### **1. Section 1: Initial Equality Impact Assessment**

Name of policy\* to be assessed: **Charge for Garden Waste**

1. What is the main purpose of the policy?

**Provide an optional chargeable Garden Waste Service for kerbside Colchester City residents with private gardens**

2. What main areas or activities does it cover?

**Fortnightly Collection of Garden Waste with a scheduled winter break**

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

**Currently there is a free universal Garden Collection service based on a mix of Garden Sacks and Wheeled Bins. The new service will be optional, chargeable and be delivered solely with Wheeled Bins.**

4. Who are the main audience, users or customers who will be affected by the policy?

**All residents with a private garden**

5. What outcomes do you want to achieve from the policy?

**There is a need to move from a free universal service to a chargeable one to generate a new revenue stream for Recycling and Waste.**

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

**Customer Service Team  
Essex County Council  
Neighbourhood Services Team  
Digital and online teams**

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

***No consultation has been commissioned as of this time.***

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- **It is not held that that this policy/ service will specifically help us to meet this aim.**

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- **It is not held that that this policy/ service will specifically help us to meet this aim.**

The policy helps us to 'foster good relations...' in the following way(s):

- **It is not held that that this policy/ service will specifically help us to meet this aim.**

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

- **n/a**

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)	X	Many Residents prefer the better containment offered by Wheeled bins to Garden Sacks	X	Some older people may have particular difficulty in manoeuvring wheeled bins.
	Younger people (17-25) and children (0-16)	X	Many Residents prefer the better containment offered by Wheeled bins to Garden Sacks		None identified
Disability	Physical	X	The Assisted Collection service will continue to benefit this group.		None identified
	Sensory	X	The Assisted Collection service will continue to benefit this group.		None identified
	Learning	X	The Assisted Collection service will continue to benefit this group.		None identified
	Mental health issues	X	The Assisted Collection service will continue to benefit this group.		None identified
	Other – <i>specify</i>				
Ethnicity <sup>6</sup>	White		None identified		None identified
	Black		None identified		None identified
	Chinese		None identified		None identified
	Mixed Ethnic Origin		None identified		None identified
	Gypsies/ Travellers		None identified		None identified



	Other – <i>specify</i>				
Language	English not first language		None identified	X	Printed and online information is provided in English which could impact negatively upon this group.
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	X	The Assisted Collection service will continue to benefit this group.	X	Individuals within this group may have particular difficulty in manoeuvring wheeled bins.
Religion or Belief	People with a religious belief (or none)		None identified		None identified
Sex	Men		None identified		None identified
	Women		None identified		None identified
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual		None identified		None identified
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian		None identified		None identified
Marriage and Civil Partnership	People who are married or in a civil partnership		None identified		None identified

11. If you have identified any negative impacts (above), how can they be minimised or removed?

Older people (60+) X Some older people may have particular difficulty in manoeuvring wheeled bins.

**The Assisted Collection Service will continue to help customers who have particular difficulty in presenting their waste on the boundary of their property. This will extend to assisting with wheeled bins where appropriate.**

English not first language X Printed and online information is provided in English which could impact negatively upon this group.

**Website information can be translated via online translation websites/tools. Customers which first language is not English can request that letters or leaflets are provided in a preferred language. Officers have access to a range of translation tools including text translation, instant telephone translation and face-to-face translation services.**

Women who are pregnant or have given birth in last 26 weeks X Individuals within this group may have particular difficulty in manoeuvring wheeled bins.

**The Assisted Collection Service will continue to help customers who have particular difficulty in presenting their waste on the boundary of their property. This will extend to assisting with wheeled bins where appropriate.**

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? (Yes/No) **No**

## Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed X	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

**John Kellett**  
**Business Improvement Manager**

15. Date of completion:

**10<sup>th</sup> January 2023**

16. Date for update or review of this screening<sup>10</sup>:

**9<sup>th</sup> January 2026**

*If you have selected A or B (above), you have completed the assessment and can remove this paragraph and everything that appears below. In this case please:(a) send a copy to the relevant Assistant Director and the Equality and Safeguarding Officer; (b) arrange for it to be published on the Council's website [here](#) (under the relevant service area heading); and (c) update the Corporate Spreadsheet by clicking [here](#) and selecting and updating the first document. If you have selected C or D (above), you must complete Section Two (below).*

## **2. Equality Impact Assessment Form - An Analysis of the Effects on Equality**

### **1. Section 1: Initial Equality Impact Assessment**

Name of policy\* to be assessed: **Charging residents for Recycling Kit**

1. What is the main purpose of the policy?

**The review of charging for some recycling equipment is intended to help address the impact of Inflation on the fixed Recycling Equipment Budget rather than continue to operate with a very significant Budget pressure.**

2. What main areas or activities does it cover?

**The review will cover all Recycling Equipment currently provided free of charge to residents including Wheeled Bins, Recycling Boxes, Kerbside and Kitchen Caddies, White Garden Sacks and Clear Recycling Bags**

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

- **Introduction of charges to Residents for Recycling Equipment except:**
  - **Potential to provide New Builds with free of charge New Build Recycling kit**
  - **Potential to provide Home Movers with any required kit Free of Charge**
  - **Potential to make the first roll of Clear Recycling Bags free each financial year**
- **All Kitchen Caddies to be chargeable**
- **Possibility to allow a Resident to bring in a broken item to a CCC office for free exchange**
- **Colchester City Council to retain provision and ownership of Black Wheeled Bins**
- **Brown Wheeled Bins to be chargeable where a customer needs them**
- **Exemption Black Bins to remain free of charge**
- **Potential to introduce charges for home deliveries**
- **Assisted Customers to be offered local collection as an option**
- **Prices to be set regularly based on Market price of last purchase**
- **Payments to be made online as part of the process**

4. Who are the main audience, users or customers who will be affected by the policy?

## **All residents**

5. What outcomes do you want to achieve from the policy?

### **Ability to continue to provide Customers with Recycling Equipment**

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

### **Contact & Support**

#### **Dynamics and TaskSmart Support Teams**

#### **Online Payments Engine**

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

### **None**

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- **It is not held that that this policy/ service will specifically help us to meet this aim.**

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- **Service Options will continue to be available for all residents whether they have access to the internet or not**
- **Residents without Internet Access could be offered the option to pay online via Customer Service Team and then collect from an Outlet to avoid Delivery Charges or else could pay for a Home Delivery.**

The policy helps us to 'foster good relations...' in the following way(s):

- **It is not held that that this policy/ service will specifically help us to meet this aim.**

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:

- **Black Wheeled Bins would continue to be available free of charge**

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
	Younger people (17-25) and children (0-16)		None identified		None identified

Disability	Physical	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
	Sensory		None identified		None identified
	Learning		None identified		None identified
	Mental health issues		None identified		None identified
	Other – <i>specify</i>				
Ethnicity <sup>6</sup>	White		None identified		None identified
	Black		None identified		None identified
	Chinese		None identified		None identified
	Mixed Ethnic Origin		None identified		None identified
	Gypsies/ Travellers		None identified		None identified
	Other – <i>specify</i>				
Language	English not first language		None identified	X	Printed and online information is provided in English which could impact negatively upon this group.
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
Religion or Belief	People with a religious belief (or none)		None identified		None identified
Sex	Men		None identified		None identified
	Women		None identified		None identified
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual		None identified		None identified
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian		None identified		None identified
Marriage and Civil Partnership	People who are married or in a civil partnership		None identified		None identified

11. If you have identified any negative impacts (above), how can they be minimised or removed?

Older people (60+)	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
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**Currently Residents with an Assisted Collection receive a free delivery. It is proposed to allow Residents with an Assisted Collection the choice of whether to collect for free or pay for Home Delivery**

**Residents without Internet Access could be offered the option to pay online via Customer Service Team and then collect from an Outlet to avoid Delivery Charges or else could pay for a Home Delivery.**

Physical	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
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**Currently Residents with an Assisted Collection receive a free delivery. It is proposed to allow Residents with an Assisted Collection the choice of whether to collect for free or pay for Home Delivery**

English not first language		None identified	X	Printed and online information is provided in English which could impact negatively upon this group.
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**Website information can be translated via online translation websites/tools. Customers which first language is not English can request that letters or leaflets are provided in a preferred language. Officers have access to a range of translation tools including text translation, instant telephone translation and face-to-face translation services.**

Women who are pregnant or have given birth in last 26 weeks	X	Home Delivery remains available for residents with an Assisted Collection	X	Delivery Charge Introduced for Home Delivery
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**Currently Residents with an Assisted Collection receive a free delivery. It is proposed to allow Residents with an Assisted Collection the choice of whether to collect for free or pay for Home Delivery**

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? (Yes/No) **No**

## Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed <b>X</b>	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
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14. Name and job title of person completing this form:

**John Kellett**  
**Business Improvement Manager**

15. Date of completion:

**10<sup>th</sup> January 2023**

16. Date for update or review of this screening<sup>10</sup>:

**9<sup>th</sup> January 2026**

*If you have selected A or B (above), you have completed the assessment and can remove this paragraph and everything that appears below. In this case please:(a) send a copy to the relevant Assistant Director and the Equality and Safeguarding Officer; (b) arrange for it to be published on the Council's website [here](#) (under the relevant service area heading); and (c) update the Corporate Spreadsheet by clicking [here](#) and selecting and updating the first document. If you have selected C or D (above), you must complete Section Two*



## 2. Equality Impact Assessment Form - An Analysis of the Effects on Equality

### 1. Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed: **Council Tax Penalties**

1. What is the main purpose of the policy?

- To introduced penalty charges for households falsely claiming Council Tax Single Person Discount. It aims to deter residents from claiming the discount where they are not eligible.
- To introduce a perpetual annual Single Person Discount review, requiring residents in receipt of the discount to re-confirm their status annually.

2. What main areas or activities does it cover?

The Council's administration of Council Tax accounts.

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

n/a

4. Who are the main audience, users or customers who will be affected by the policy?

This affects all households liable for Council Tax.

5. What outcomes do you want to achieve from the policy?

The changes aim to deter households from claiming Council Tax discounts that they aren't or are no longer eligible for. The expected outcomes include:

- A reduction in the overall number of single person discount claimants
- A fairer approach to Council Tax, ensuring that those claiming discounts incorrectly are identified and where appropriate issued with penalty fines
- Increase in the amount of collectable Council Tax, supporting the funding of local services.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

Precepting authorities (Essex County Council, Fire and Police) have an interest in the Council maximising Council Tax Collection.

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

*n/a*

8. The 'general duty' states that we must have "due regard" to the need to:

(a) eliminate unlawful discrimination, harassment and victimisation

(b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>

(c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

*n/a*

The policy helps us to 'advance equality of opportunity...' in the following way(s):

*n/a*

The policy helps us to 'foster good relations...' in the following way(s):

*n/a*

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

n/a

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)	Fair collection of Council Tax	Preventing people from claiming discounts for Council Tax where they are not eligible will improve funding available for local services.	x	
	Younger people (17-25) and children (0-16)	As above	As above	x	
Disability	Physical	As above	As above	x	
	Sensory	As above	As above	x	
	Learning	As above	As above	x	
	Mental health issues	As above	As above	x	
	Other – <i>specify</i>	As above	As above	x	
Ethnicity <sup>6</sup>	White	As above	As above	x	
	Black	As above	As above	x	
	Chinese	As above	As above	x	
	Mixed Ethnic Origin	As above	As above	x	
	Gypsies/ Travellers	As above	As above	x	
	Other – <i>specify</i>	As above	As above	x	
Language	English not first language	As above	As above	x	
Pregnancy and Maternity	Women who are pregnant or have	As above	As above	x	

	given birth in last 26 weeks				
Religion or Belief	People with a religious belief (or none)	As above	As above	x	
Sex	Men	As above	As above	x	
	Women	As above	As above	x	
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual	As above	As above	x	
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	As above	As above	x	
Marriage and Civil Partnership	People who are married or in a civil partnership	As above	As above	x	

11. If you have identified any negative impacts (above), how can they be minimised or removed?

None

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? No

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input checked="" type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed <input type="checkbox"/>	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

Sam Preston – Group Manager

15. Date of completion:

13/01/2023

16. Date for update or review of this screening<sup>10</sup>:

13/01/2026

*If you have selected A or B (above), you have completed the assessment and can remove this paragraph and everything that appears below. In this case please:(a) send a copy to the relevant Assistant Director and the Equality and Safeguarding Officer; (b) arrange for it to be published on the Council's website [here](#) (under the relevant service area heading); and (c) update the Corporate Spreadsheet by clicking [here](#) and selecting and updating the first document. If you have selected C or D (above), you must complete Section Two (below).*

## 2. Equality Impact Assessment Form - An Analysis of the Effects on Equality

### 1. Section 1: Initial Equality Impact Assessment

This EQIA considers the impact of the review and introduction of new senior management arrangements, aimed at resetting and aligning the organisation to reflect resource pressure changes and working arrangements to support residents effectively.

#### 1. What is the main purpose of the review? **Organisation Design**

Under the new arrangements, the Senior Management Team will operate as a Senior Board to provide leadership to the organisation.

The number of posts has been reduced by 2, providing £200k in savings.

The new Strategic Director roles within the senior team will be different to the Assistant Director roles. The focus will no longer be on leading a set of defined services but to be responsible for the Council's strategic priorities and outcomes and provide strategic leadership over key drivers including resources, organisational culture, environmental sustainability and reducing inequalities.

The arrangements will involve Group Managers becoming service delivery heads with full autonomy to operate services whilst being accountable to the senior leadership team.

#### 2. What main areas or activities does it cover?

- Strategic leadership of the council

#### 3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

The new senior management arrangements will necessitate a change to the Scheme of Delegation as roles and accountabilities of the Senior Board and GMT within the wider leadership team are redefined.

4. Who are the main audience, users or customers who will be affected by the review?

Cabinet, councillors, managers and staff.

5. What outcomes do you want to achieve from the review?

A total of £200k has been achieved from the changes in the senior management arrangements.

The creation of the Senior Leadership Board will mean the Board will focus on delivering the strategic priorities and outcomes and provide strategic leadership over key drivers including resources, organisational culture, environmental sustainability and reducing inequalities.

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

This is an internal review of the council's management arrangements. It has been informed by the Red Quadrant review which identified the principles that should underpin the leadership structure as follows:

- Fluidity and flexibility without hierarchy
- Distributed and inclusive leadership
- Outward looking focus
- Agreement on common purpose, outcomes and priorities
- Clearer accountability, more autonomy, cross organisational working
- Drive a progressive, inclusive and diverse culture
- Remain open to dynamic change
- Enable leaders to lead with discretion

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

The 3 principal duties of the Equality Act will be at the forefront of the Senior Management Board in terms of advancing equal opportunity for staff and residents, fostering good relations and eliminating discrimination, harassment and victimisation.

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

The focus of the Board is to provide strategic leadership over key drivers including resources, organisational culture, environmental sustainability and **reducing inequalities**.



10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

*Remember to include reference to any relevant consultation, data or information.*

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)	Yes	Reducing inequalities within our communities and workforce will be one of the key objectives for the new Board.  A new strategic lead for Equality, Diversity and Inclusion has been put in place.	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to older people.
	Younger people (17-25) and children (0-16)	Yes	Reducing inequalities within our communities and workforce will be one of the key objectives for the new Board.  A new strategic lead for Equality, Diversity and Inclusion has been put in place.	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to younger people.  The profile of the senior management team is older than 17-25 years but this might be expected in terms of knowledge, experience and skills needed for senior roles.  The key will be ensuring that the senior management team ensure there is engagement with younger residents and the workforce to understand their challenges and needs.
Disability	Physical	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to disabled people.
	Sensory				
	Learning				
	Mental health issues				
	Other – <i>specify</i>				

					There is a People priority to ensure the council is more diverse and inclusive and plans will soon be in place to improve diversity across the council.
Ethnicity <sup>6</sup>	White	Yes	As above	None	<p>The ethnicity of the senior leadership team is not diverse.</p> <p>There is a People priority to ensure the council is more diverse and inclusive and plans will soon be in place to improve diversity across the council.</p>
	Black				
	Chinese				
	Mixed Ethnic Origin				
	Gypsies/ Travellers				
	Other – <i>specify</i>				
Language	English not first language	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to people where english is not the first language.
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	Yes	As above	None	<p>There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to pregnant staff or those on maternity.</p> <p>Well established policies are in place to prevent discrimination.</p>
Religion or Belief	People with a religious belief (or none)	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to religion.
Sex	Men	Yes	<p>The profile of the senior leadership board is 2 males and 4 female leaders.</p> <p>The wider leadership team (GMT) has 6 male and 6 female managers.</p>	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to sex..
	Women	Yes	<p>The profile of the senior leadership board is 2 males and 4 female leaders.</p> <p>The wider leadership team (GMT) has 6 male and 6 female managers.</p>	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to sex..

Gender Reassignment <sup>7</sup>	Transgender/ Transsexual	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to gender reassignment.  There is a People priority to ensure the council is more diverse and inclusive and plans will soon be in place to improve diversity across the council.
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to sexual orientation..  There is a People priority to ensure the council is more diverse and inclusive and plans will soon be in place to improve diversity across the council.
Marriage and Civil Partnership	People who are married or in a civil partnership	Yes	As above	None	There are no disproportionate equality impacts of the implementation of the new senior management arrangements with regard to marriage and civil partnership.

11. If you have identified any negative impacts (above), how can they be minimised or removed?

The council will need to have due regard to its public duty under the Equality Act 2010 and in particular to eliminate unlawful discrimination, harassment and victimisation and advance equality of opportunity between people who share a 'protected characteristic<sup>8</sup>' and those who do not in the implementation of the budget plans.

Each decision will need to be considered on a case-by-case basis to ensure that detriment is not experienced by staff/candidates with a protected characteristic, is not discriminatory and can be objectively justified.

The impact of the reduction on staffing will need to be monitored closely to ensure staff with protected characteristic are not disadvantaged compared with those who do not have a protected characteristic.

If staffing is significantly reduced in a service that support vulnerable residents or those with a particular characteristic, a full EQIA should be conducted to assess the impact of the decision.

2. Could the policy discriminate<sup>9</sup> against any 'protected characteristic', either directly or indirectly<sup>10</sup>?

No the policy should not discriminate against any protected characteristic.

## Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input checked="" type="checkbox"/> X	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

Jessica Douglas, Strategic People and Performance Manager

15. Date of completion:

13.January 2023

16. Date for update or review of this screening<sup>11</sup>:

Not applicable – this is a standalone review. If the senior management arrangements are reviewed again a new EQIA will be completed.

## Equality Impact Assessment Form - An Analysis of the Effects on Equality

### Section 1: Initial Equality Impact Assessment

Name of policy to be assessed:

#### Contact and Support Service Reduction

- Telephony And Email contact – Contact and Support Team (CST).

*NB: 'Policy' is meant broadly to mean policy, strategy, service, function, activity or decision.*

1. What is the main purpose of the policy?

- To assess the impact of the following proposed service changes.
  - Reduction of telephony and email service times to four days per week.
  - Introduction of new Customer Contact System.

2. What main areas or activities does it cover?

- Customer contact with the CST

3. Are there changes to an existing policy being considered in this assessment? If so what are they?

- Review of the following EQIA in conjunction with the proposed service changes.
- [Sharepoint Online](#)

4. Who are the main audience, users or customers who will be affected by the policy?

- Residents
- Businesses
- Councillors
- External Partners

- Staff

5. What outcomes do you want to achieve from the policy?

- To ensure the proposed service changes generate no negative impact / minimised impact on the service users in relation to Equality and Diversity.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below:

The CST works closely with external partners such as Essex County Council (ECC) and Colchester borough Homes (CBH) and internal service areas such as Recycling and Rubbish, Planning, Licensing etc. The proposed changes will be discussed with all partners.

7. Are you aware of any relevant information, data, surveys or consultations<sup>21</sup> which help us to assess the likely or actual impact of the policy upon customers or staff?

Feedback on key services including telephony services are periodically reviewed and has been taken into account in shaping this service.

8. The 'general duty' states that we must have "due regard" to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation
- (b) Advance equality of opportunity between people who share a 'protected characteristic'<sup>22</sup> and those who do not<sup>23</sup>
- (c) Foster good relations between people who share a protected characteristic and those who do not<sup>24</sup>

Not all policies help us to meet the 'general duty', but most do.

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<sup>21</sup>Click on [Customer Insight](#) for more information. The Council's surveys and consultations include 'equality monitoring information' to help us identify any particular concerns or views expressed by any particular group or 'protected characteristic'. It can also help us to assess how representative of our customers the respondent group is. Local data on the 'protected characteristics' is available [on this page](#) of Sharepoint.

<sup>22</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

<sup>23</sup> This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a 'protected characteristic' that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant 'protected characteristic' that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant 'protected characteristic' to participate in public life or in any other activity in which participation by such persons is disproportionately low.

<sup>24</sup> This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

The policy helps us to ‘eliminate unlawful discrimination, harassment and victimisation’ in the following way(s):

- By providing a telephony and email service for four days per week and online services 24/7.

The policy helps us to ‘advance equality of opportunity...’ in the following way(s):

- By providing a telephony and email service for four days per week and online services 24/7.

The policy helps us to ‘foster good relations...’ in the following way(s):

- By providing a telephony and email service for four days per week and online services 24/7.

9. The Council has an important role in improving residents’ health under the Health and Social Care Act 2012. This relates to both its ‘core functions’ (such as housing, leisure, green spaces and environmental health) and to its ‘enabling roles’ (such as economic development, planning and engaging with communities)<sup>25</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the ‘protected characteristics’ of age and disability.

*“Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are.”*

*Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:*

- By using additional technologies such as text phone, our services can be accessed by a wider audience.
- The new Customer Contact System will allow us to implement other contact channels such as WhatsApp, Chatbot, Social Media etc.

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the ‘protected characteristics’.

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<sup>25</sup> The King’s Fund: [The district council contribution to public health: a time of challenge and opportunity, 2015](#)

**The proposed change to reduce service times to four days per week will not have an isolated negative effect on the protected characteristic groups listed below.**

**The proposed change to introduce a new Customer Contact System will have a positive effect on all service users by introducing new contact channels in addition to the existing telephony and email service.**

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Age	Older people (60+)	New telephony system  Queue management  High resolution rates	Telephony system is being updated using data from customer interactions; ensure the automation is accurate to our customers' needs.  Working to reduce customer wait times and give alternatives, such as online resolution and a call back service. Future roll out of other contact channels will further improve queue management.  The CST delivers above expectations on resolving a call at first point of contact.	X	Older people are more likely to have a disability – see comments below.
	Younger people (17-25) and children (0-16)	As above	As above	X	None identified
Disability	Physical	As above	As above	X	This group may be more likely to find automated options more difficult to use.
	Sensory	As above	As above	X	As above



	Learning	As above	As above	X	As above
	Mental health issues	As above	As above	X	As above
	Other – <i>specify</i>				

'Protected characteristic' group Ethnicity <sup>26</sup>		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
	White	New telephony system  Queue management  High resolution rates	Telephony system is being updated using data from customer interactions; ensure the automation is accurate to our customers' needs.  Working to reduce customer wait times and give alternatives, such as online resolution and a call back service. Future roll out of other contact channels will further improve queue management.  The CST delivers above expectations on resolving a call at first point of contact.	X	None identified
	Black	As above	As above	X	None identified
	Chinese	As above	As above	X	None identified
	Mixed Ethnic Origin	As above	As above	X	None identified
	Gypsies/ Travellers	As above	As above	X	None identified
	Other – <i>please state</i>			X	

<sup>26</sup> National Census 2011 categories are: Bangladeshi, Indian, Pakistani, Other Asian (Asian or Asian British), African, Caribbean, Other Black (Black or Black British), White and Black African, White and Asian, White and Black Caribbean (Mixed), British, Irish, Other White (White), Chinese, Other (Other Ethnic Group).

Language	English not first language	As above	As above	X	This group may not be able to access the service without assistance.
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'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	New telephony system  Queue management  High resolution rates	Telephony system is being updated using data from customer interactions, ensure the automation is accurate to our customers' needs.  Working to reduce customer wait times and give alternatives, such as online resolution and a call back service. Future roll out of other contact channels will further improve queue management.  The CST delivers above expectations on resolving a call at first point of contact.	X	None identified
Religion or Belief	People with a religious belief (or none)	As above	As above	X	None identified
Sex	Men	As above	As above	X	None identified
	Women	As above	As above	X	None identified
		As above	As above	X	None identified

Gender Reassignment <sup>27</sup>	Transgender/ Transsexual				
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'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	As above	As above	X	None identified
Marriage and Civil Partnership	People who are married or in a civil partnership	As above	As above	X	None identified

11.If you have identified any negative impacts (above) how can they be minimised or removed?

- **May find automated options confusing**

- Automated options are continuously reviewed with any feedback taken into consideration to ensure they are easily understandable
- **There are times when wait times may be longer than customer expectation.**
  - We offer a call back service
  - We are working to encourage channel shift where possible to minimise wait times

- **May not understand Advisors or automated telephone menus**

<sup>27</sup> The 'protected characteristic' of gender reassignment is defined by the Equality Act 2010 as "a person proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex." This is a personal process that may involve medical interventions such as counselling, psychotherapy, hormone therapy or surgery, but does not have to.

- We have a text phone service
- Customers can gain access to language line and other translation services may be offered.
- **Availability of Telephony service will be reduced by one day.**
  - Online services will be available.
  - Emergencies can be reported as per the current out of hours process.

12. Could the policy discriminate<sup>28</sup> against any 'protected characteristic', either directly or indirectly<sup>29</sup>? (Yes/No)

No.

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<sup>28</sup> The Council has a general duty to 'eliminate unlawful discrimination, harassment and victimisation'. Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their 'protected characteristic' whether on grounds of age, disability, pregnancy and maternity, ethnicity; religion or belief; sex (gender), sexual orientation, or marriage and civil partnership. Indirect discrimination occurs when an apparently neutral provision or practice would nevertheless disadvantage people on the grounds of their 'protected characteristic'.

<sup>29</sup> If you answer 'yes' to question 11 (above) you will need to complete the following section *and* go on to complete Section 2 in order to conduct a full Equality Impact Assessment.

## Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
Negative impacts have been identified but have been minimised or removed <b>X</b>	Sign off screening and finish.
Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
There is insufficient evidence to make a judgement. <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:

- Phil Charles - Contact and Support Manager.

15. Date of completion:

- January 2023

16. Date for update or review of this screening:

- TBD

## 2. Equality Impact Assessment Form - An Analysis of the Effects on Equality

### 1. Section 1: Initial Equality Impact Assessment

Name of policy\* to be assessed: **Environmental Health Service Reduction**

#### 1. What is the main purpose of the policy?

To reduce the baseline budget across the service by £50k by introducing new ways of working and enabling greater income generation

#### 2. What main areas or activities does it cover?

Private Sector Housing enforcement

Environmental Protection

Food and Safety

#### 3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

This is a new approach to ways of working in these service areas.

#### 4. Who are the main audience, users or customers who will be affected by the policy?

Local residents and businesses

#### 5. What outcomes do you want to achieve from the policy?

To ensure we continue to meet our statutory requirements by working in a different way.

#### 6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

**No**

#### 7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.*

No

#### 8. The 'general duty' states that we must have "due regard" to the need to:

(a) eliminate unlawful discrimination, harassment and victimisation

- (b) advance equality of opportunity between people who share a 'protected characteristic'<sup>2</sup> and those who do not<sup>3</sup>
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

- N/A

The policy helps us to 'advance equality of opportunity...' in the following way(s):

- N/A

The policy helps us to 'foster good relations...' in the following way(s):

- N/A

9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

*"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."*

Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:

- N/A

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
<b>3. Age</b>	Older people (60+)	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Younger people (17-25) and children (0-16)	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Disability	Physical	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Sensory	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Learning	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Mental health issues	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Other – <i>specify</i>				
Ethnicity <sup>6</sup>	White	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Black	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Chinese	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Mixed Ethnic Origin	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics



	Gypsies/ Travellers	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Other – <i>specify</i>				
Language	English not first language	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Religion or Belief	People with a religious belief (or none)	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Sex	Men	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
	Women	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics
Marriage and Civil Partnership	People who are married or in a civil partnership	X	No benefit to this group	N	There will be a reduction in the level of service which will affect all groups regardless of protected characteristics

11. If you have identified any negative impacts (above), how can they be minimised or removed?

We will continue to investigate and implement different ways of working to minimise the impact to residents and businesses.

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? No

### Summary and findings of Initial Equality Impact Assessment

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified <input type="checkbox"/>	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed <input checked="" type="checkbox"/> X	Sign off screening and finish.
C. Negative impacts could not be minimised or removed <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.
D. There is insufficient evidence to make a judgement <input type="checkbox"/>	Sign off screening and complete a full impact assessment – Section 2.

14. Name and job title of person completing this form:  
Melanie Rundle, Safety and Protection Manager

15. Date of completion:  
11<sup>th</sup> January 2023

16. Date for update or review of this screening<sup>10</sup>:

<b>Report of</b>	<b>Chief Operating Officer</b>	<b>Author</b>	<b>Richard Block</b> <a href="mailto:richard.block@colchester.gov.uk">richard.block@colchester.gov.uk</a>
<b>Title</b>	<b>Local Government Association Peer Challenge Report and Action Plan</b>		
<b>Wards affected</b>	All wards		

## **1. Executive Summary**

- 1.1 The Local Government Association peer challenge process provides independent and external improvement support and challenge through a peer review, conducted by a team of councillors and senior officers from other local authorities.
- 1.2 Colchester City Council had a peer challenge in September 2022 and received the full report in November 2022. This report proposes an action plan to respond to the key recommendations from the Peer Challenge for consideration by Cabinet.

## **2. Recommended Decision**

- 2.1 To consider the proposed action plan and approve it as the Council response to the key recommendations made the following the Peer Challenge.

## **3. Reason for Recommended Decision**

- 3.1 To ensure the Council responds appropriately to the key recommendations made by the Local Government Association Peer Challenge and in turn support the continuous improvement of how the Council is operated.

## **4. Alternative Options**

- 4.1 To approve alternative actions to respond to the key recommendations of the Peer Challenge.

## 5. Background Information

- 5.1 The Local Government Association (LGA) offers all councils the opportunity to have a Corporate Peer Challenge (CPC). This is free, and a tried and trusted 'critical friend' method of improvement.
- 5.2 The challenges faced by councils in the light of the Covid-19 pandemic are unprecedented. The CPC provides independent and external improvement support and challenge to not only assist councils' thinking about recovery but to also support those councils who wish to use this period to reset, reimagine and reinvent as well as rebuild.
- 5.3 Colchester invited a peer challenge team to conduct a peer challenge during the week starting 26 September 2022.
- 5.4 The team used the five core areas that are used for all peer challenges as the overarching areas for the review:
  1. **Local priorities and outcomes:** Are the Council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities and achieving improved outcomes for all its communities?
  2. **Organisational and place leadership:** Does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
  3. **Governance and culture:** Are there clear and robust governance arrangements? Is there a culture of respect, challenge and scrutiny?
  4. **Financial planning and management:** Do the Council have a grip on its current financial position? Does the council have a strategy and a clear plan to address its financial challenges?
  5. **Capacity for improvement:** Is the organisation able to support delivery of local priorities? Does the Council have the capacity to improve?
- 5.5 In addition, the peer team were also asked to provide feedback on the following:

**Transformation and Organisational Development** – Colchester City Council needs to reset and realign its organisation to reflect resource pressures and significant changes in working arrangements to support residents effectively, as Colchester's communities grow.

**Regeneration and Growth** - Colchester, now a city, plays into some important strategic arrangements and has a strong place-based focus when exploring the opportunities ahead for devolution through the Levelling Up and Shared Prosperity Funds.

- 5.6 In conducting the peer challenge, the team deployed a hybrid approach with four days on site in Colchester but with some interviews conducted remotely. During this time, they gathered information and views from more than 45 meetings, in addition to further research and reading, meeting either virtually or in person with over 150 people across the period of the challenge.
- 5.7 The resulting full peer challenge report was previously published by the City Council and a copy can be seen at appendix A.
- 5.8 Key highlights included:
  - With the opportunities afforded by their plans for growth, the new Member and Officer

Leadership team and, most crucially, city status, the City Council and Colchester, the place is on the cusp of something great.

- Colchester City Council has good self-awareness and understands the communities it serves and the economy across the borough.
- Colchester has an incredible heritage and culture offer that competes nationally and Colchester City Council has worked hard over the years to develop resilient and productive relationships and partnerships to ensure this heritage and cultural offer can thrive.
- Colchester City Council is driven and has a strong desire for achievement and delivery, with fantastic people, including staff, councillors, and partners.

5.9 The report also identified 8 key recommendations as follows:

1. Focus on city status. Use this as an opportunity to galvanise partners, improve the borough's economic and cultural strength and raise the voice of Colchester;
2. Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme and project capacity and the resources to deliver;
3. Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future;
4. Strengthen your political and officer 'leaders of place' roles and look beyond Colchester – map your anchor institutions, partners and stakeholders;
5. Review your priorities and projects and refocus on delivering 'Brilliant Business As Usual' and strengthen your corporate resources;
6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester's communities;
7. Better define with your staff what 'hybrid working' means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester's ambition; and,
8. Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver.

5.10 In order to further improve and maximise opportunities available to the Council, it is vital the key recommendations are responded to appropriately. A full proposed action plan has now been developed and is already being delivered against. This is shown at appendix B.

5.11 The action plan will be used to track progress and will also be a key document used by the Peer Challenge team when they conduct a follow up visit which is usually conducted 6 months after the original peer challenge.

5.12 In addition to the key recommendation, several other areas of advice were provided by the Peer Challenge Team. Although not part of the main recommendations covered in this report, this additional advice has also been captured and is being acted upon.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 The peer challenge team identified a positive approach taken by the Council to equality and diversity making reference to an external audit commissioned to help improve in this area. The team also identified Colchester has a young, diverse and dynamic community and emphasised the Council should work to harness that diversity better.

## **7. Strategic Plan References**

- 7.1 Several of the key recommendations and findings of the peer challenge report will support the creation of the new strategic plan and subsequent delivery plan.

## **8. Consultation**

- 8.1 The consultative nature of the peer challenge process has meant that a broad group of staff, councillors and partner organisations have been involved and have contributed to the final recommendations. The action plan has also been developed in consultation with appropriate staff and Councillors.

## **9. Publicity Considerations**

- 9.1 An end-to-end publicity process has ensured that the peer challenge and resulting report have been widely publicised. Once the action plan is approved, it will also be publicised.

## **10. Financial implications**

- 10.1 Several of the recommendations will have financial implications which will need to be carefully considered e.g. external review of wholly owned companies. There will also be some additional initial costs in implementing the action plan and provision has been made in the 23/24 budget for these.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 Delivery against several of the recommendations from the peer challenge will have a positive direct and indirect impact on, health, wellbeing and community safety.

## **12. Environmental and Sustainability Implications**

- 12.1 There are no specific implications but in responding to the key peer challenge recommendations, the Council will have an even stronger focus on key priorities such Environment and Sustainability.

## **13. Health and Safety Implications**

- 13.1 There are no direct health and safety implications associated with this report.

## **14. Risk Management Implications**

- 14.1 In responding to the recommendations from the peer challenge the Council will be better placed to mitigate key strategic risks.

## **Appendices**

Appendix A – Peer Challenge Report

Appendix B – Peer Challenge Action Plan

**Background Papers**

None





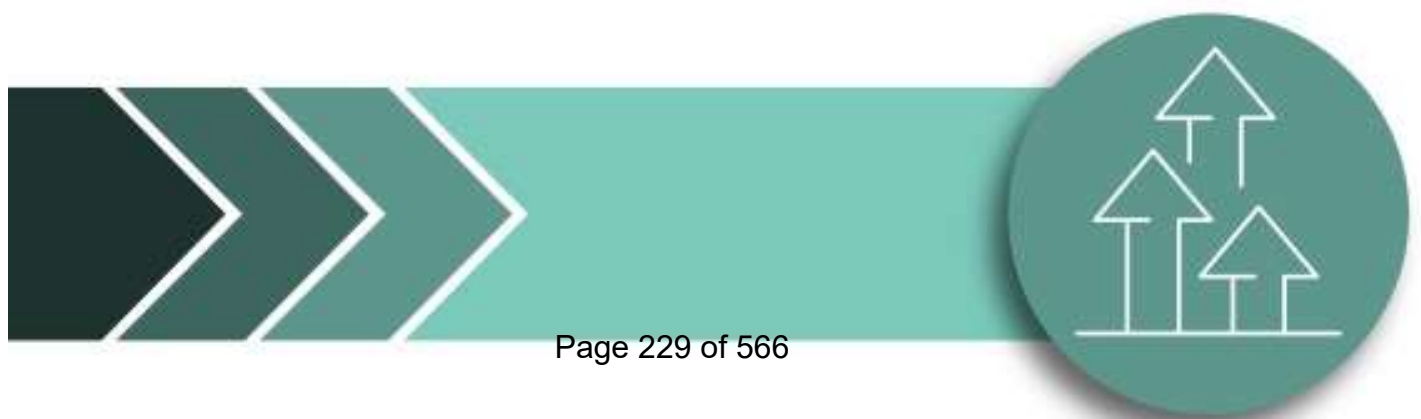


# Colchester Borough Council

## Corporate Peer Challenge

26 – 29 September 2022

Feedback report





## Report Contents

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## 1. Executive summary

Following the May 2022 local government elections, Colchester Borough Council (CBC/the Council) has a new and strong political partnership in place with an administration consisting of an alliance between Liberal Democrat, Labour, and Green Councillors. This approach to political partnerships has served the Council well for many years and it is clear that the Strategic Plan for 2020-23 has maintained this and provided a strong focus for the Council.

CBC also has a new Chief Executive, who is quickly setting her own culture of people centred leadership alongside building her officer leadership team.

In November 2022, Colchester will become a city, presenting considerable opportunities for the economic and cultural development of the area. In addition, the CBC has ambitious plans with partners in Tendring District Council and Essex County Council, to deliver a 7,500 home Garden Community on Colchester's eastern border. They have also secured an £18.2m investment in the town centre through the Towns Fund and, with strategic partners, has a large capital investment programme including delivery of the Northern Gateway.

The peer team believes that with the opportunities afforded by their plans for growth, the new Member and Officer Leadership team and, most crucially, city status, the CBC and Colchester the place is on the cusp of something great.

CBC has good self-awareness and understands the communities it serves and the economy across the borough. Colchester has an incredible heritage and culture offer that competes nationally and CBC has worked hard over the years to develop resilient and productive relationships and partnerships to ensure this heritage and cultural offer can thrive. The Council has many compelling stories to tell about what it has achieved and should ensure it celebrates this both internally and externally.

It was clear during the corporate peer challenge that CBC is a driven Council and has a strong desire for achievement and delivery, with fantastic people, including staff, councillors, and partners. However, the drive for delivery would benefit from the focus that an overall vision and clear corporate delivery plan would bring. A corporate delivery plan would support CBC to refine its priorities and ensure sufficient resource is available to achieve its goals.

The peer team recommends that the Council along with its partners and communities quickly come together to discuss and agree what city status really means for Colchester. This approach will help inform the narrative and vision for Colchester the place. It will also enable the Council to develop a clear understanding of its priority areas and to subsequently undertake a stakeholder mapping exercise against them, identifying key anchor institutions, partners and stakeholders across the borough and beyond. This will enable the Council to focus on those areas that are of most benefit to the communities of Colchester.


The new leadership team also needs to maximise the opportunities that city status brings and seek to extend their focus beyond Colchester. For example, the Devolution/Local Government Reform (LGR) agenda is very live in Essex and requires immediate attention. CBC needs to quickly agree its position to ensure it can advocate for a deal that works for Colchester. The peer team understands that to undertake this activity appropriately the Council will need to identify the required resources to ensure it can continue to deliver its ambitions whilst maximising the opportunities that Devolution/LGR can bring.

CBC has an impressive and very well engaged set of partners. Many of these partners consider CBC to “punch above its weight” and provides the “glue” that holds them together. The NE Essex Health and Wellbeing Alliance is an exemplar and should be used as a tool and model to guide your approach to further develop your key stakeholder relationships.

We heard throughout the CPC that resources and capacity across the council are stretched and that in some areas this is impacting on performance. There is, therefore, an urgent need to refocus on delivering ‘Brilliant Business As Usual’ services that maintain the high standards expected by the communities of Colchester.

One area the peer team recommends the Council urgently addresses is its capital programme. With the current external financial environment this has never been more important.

The senior leadership team and Cabinet should undertake an urgent review of the entire capital programme and, as part of this review, consider all the risks including commercial risk to projects or programmes.



To enable the Council to deliver its ambitious agenda it must, as a matter of urgency, implement changes to improve planning, prioritisation, management, oversight and delivery of all capital projects and programmes.

The Council's housing stock of 5,905 homes is managed by an arm's length housing management organisation, Colchester Borough Homes (CBH). The Council's wholly owned group of commercial companies Colchester Commercial Holdings Ltd (CCHL) is delivering on the Council's commercial trading, housing and energy activities.

CBH has been operating since 2003 and it would be timely to undertake an internal review to understand if there is an overlap between Council services and the work of CBH.

CCHL and its three subsidiaries has been operating for over four years and, and whilst delivery has no doubt been impacted by the Coronavirus pandemic, it is recommended that an independent review is commissioned to assess whether the companies are realising the benefits they were established to deliver, that the risks associated with the companies are understood and that the governance arrangements are robust.

There is a lack of clarity how about what hybrid working will mean for the Council when the Council's headquarters Rowan House reopens. The Council needs to define what 'hybrid' means for Colchester and provide a clear definition and communication of where the Council aims to be, and what this means for staff.

Finally, the peer team heard from a wide range of both internal staff and councillors and external partners and stakeholders, including business partners, that the current election cycle of election by thirds, is holding back the Council and making it difficult to make the tough decisions that are needed. The peer team therefore strongly encourages CBC to consider whether moving to a quadrennial election cycle may help build stability.

## 2. Key recommendations

There are number of observations and suggestions within the main section of the report, but following completion of this corporate peer challenge the peer team recommends that Colchester Borough Council should urgently:

1. Focus on city status. Use this is an opportunity to galvanise partners, improve the borough's economic and cultural strength and raise the voice of Colchester;
2. Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme and project capacity and the resources to deliver;
3. Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future;
4. Strengthen your political and officer 'leaders of place' roles and look beyond Colchester – map your anchor institutions, partners and stakeholders;
5. Review your priorities and projects and refocus on delivering 'Brilliant Business As Usual' and strengthen your corporate resources;
6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester's communities;
7. Better define with your staff what 'hybrid working' means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester's ambition; and,
8. Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver.

### 3. Summary of the peer challenge approach

#### The Peer Team


Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected based on their relevant expertise. The peers were:

- Lead Member Peer – Cllr Steve Darling, Torbay Council
- Chief Executive Peer – Donna Nolan, Watford Borough Council
- Member Peer – Cllr Natalie McVey, Malvern Hills District Council
- Member Peer – Cllr Steve Siddons, Scarborough Borough Council
- Officer Peer – Verna Connolly, Hastings Borough Council
- Officer Peer – Claire Upton-Brown, New Forest District Council
- Peer Challenge Manager – Gary Hughes, LGA
- Project Support Officer – Rachel Stevens, LGA

#### Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement:

1. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
2. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
3. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
4. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?



In addition, CBC asked the peer team to provide feedback on the following:

6. **Transformation and Organisational Development** – CBC needs to reset and realign its organisation to reflect resource pressures and significant changes in working arrangements to support residents effectively, as Colchester's communities grow.
7. **Regeneration and Growth** - Colchester, now a city, plays into some important strategic arrangements and has a strong place-based focus when exploring the opportunities ahead for devolution through the Levelling Up and Shared Prosperity Funds.

### **The peer challenge process**

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals or to undertake a forensic analyses of CBC's financial situation. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and reviewed this through a strategic lens.

The peer team prepared by reviewing a range of documents and information, including a Position Statement prepared by CBC, to ensure they were familiar with the council and the challenges it is facing.

The team deployed a hybrid approach with four days on site in Colchester but with some interviews conducted remotely. During this time, they gathered information and views from more than 45 meetings, in addition to further research and reading, meeting either virtually or in person with over 150 people across the period of the challenge.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government members and officers.



## 4. Feedback

### Local priorities and outcomes

The borough of Colchester is the largest in Essex with a population of over 192,000 and covers an area of 324 square kilometres in North East Essex. It borders Suffolk in the north, along with three Essex districts – Tendring, Braintree and Maldon. At its centre is the historic soon to be awarded city of Colchester, surrounded by villages and smaller market towns of distinct and complementary character. The city centre of Colchester is a focal point for the whole borough – containing one of the East of England's busiest shopping destinations, as well as nationally important heritage including Colchester Castle, Firstsite - a visual arts organisation based in Colchester which was voted the national Art Fund's Museum of the Year in 2021, the Mercury Theatre producing highly regarded original work under the title "Mercury Productions" and also receiving touring shows and many other notable culture and arts attractions.

Colchester also hosts the University of Essex with 17,000 students, predicted to rise to 25,000 in 10 years and is also a Garrison Town, home to the 16 Air Assault Brigade.

CBC is a driven and ambitious Council, with a notable track record of delivery and accessing funding. The award of £18.2m funding from the Government's Town Deal for the town centre and the Council's successful bid for £20m as part of the Governments Levelling Up Fund illustrates this drive.

The Council understands its communities and throughout the Coronavirus pandemic was recognised and valued by all partners. In response to the pandemic, the Council and its partners developed a comprehensive programme and action plan to help the borough, residents, businesses, and the Council itself recover from the impact of the pandemic and national lockdown regulations.

The Council is in the final year of delivering a three-year Strategic Plan. The 2020-23 plan sets out how the Council will address the key challenges facing the borough through five strategic priority themes:

1. Tackling the climate challenge and leading sustainability
2. Creating safe, healthy and active communities
3. Delivering homes for people who need them

4. Growing a fair economy so everyone benefits
5. Celebrating our heritage and culture.

The Strategic Plan is recognised throughout the borough as the glue that provides a shared purpose, binding partners and politicians together. It was positive to hear that the Council has started the process to develop a new Strategic Plan for adoption in February 2023. The process CBC will use builds on the learning from their current plan and has a greater focus on prioritisation and co-production with partners and residents. This approach is to be applauded.


As part of this approach, it was clear that CBC acts as a proactive convenor bringing together partners and resources from a wide range of sectors. The peer team heard throughout the corporate peer challenge, the value that partners and stakeholders place on the Council's role and the Council is encouraged to continue this.

Colchester was amongst a small number of towns granted city status as part of the late Queen's Platinum Jubilee Civic Honours. This will be a great boost for the communities of Colchester as it will no doubt open up new opportunities. The peer challenge team have concluded that city status presents a timely opportunity to strengthen Colchester economically and culturally; an opportunity to take the borough to a new level in terms of its identity and harnessing its unique character.

The peer team recommends that the Council harnesses the excitement and benefits that city status offers and seizes this opportunity with both hands, using it as the platform to raise Colchester's voice - why not convene a cross borough event or summit to celebrate and start dialogue across the city on a new place narrative and vision?

A new vision or place-based narrative will in turn support the development of CBC's new four to five-year strategic plan, which should be developed following engagement with councillors, staff, and stakeholders.

This strategic plan should be clearly linked to a robust resourcing plan for people and finance as well as the Council's wide portfolio of programmes and projects. Having an annual delivery plan will help monitor delivery but will also enable the Council to be fleet of foot. It is also timely to review the authority's KPIs to ensure they are relevant for the future.



The need for a 'golden rope' linking all the Council's strategies and operations is critical if all staff and councillors are to be enabled to buy-in to the future direction and decisions regarding resourcing. This is critical due to CBC's stretched resources.

The peer team use the term 'Golden Rope' as opposed to golden thread as it reflects the scale of the multi-layers and multi-faceted approach the Council will need to consider in achieving the full breath of its ambitions.

### **Organisational and place leadership**

The new Chief Executive has established positive and valued relationships across partnerships with trust and respect from both staff and partners. We heard that

*“Pam is a catalyst for change” and “my ideas are welcomed and valued”*

In addition, the political leadership is also highly valued and respected, and we heard that:


*“The Leader is appreciative and wants to help”*

The new leadership team brings complementary styles and should work together across the borough, County and wide sub-region to promote Colchester.

The Council has a range of innovative and inclusive partnerships and is well regarded in the system by statutory and local partners. We heard that the Council 'punches above its weight' and 'is the dollop of glue that binds us together'. However, there are times when resources are stretched, and the peer team recommends that CBC maps its key anchor institutions, partners and stakeholders to ensure the relevant resources and engagement is focused on the relationships that will have most impact on the residents of the borough and enables the delivery of the Strategic Plan.

It was clear that councillors across the borough bring passion, enthusiasm, drive and a real a love for Colchester. This needs to be harnessed better to ensure that all the authority's councillors are aware of, engaged in and supportive of the Council's future plans, particularly the opportunities that city status bring.

The North East Essex Health and Wellbeing Alliance is an exemplar and could be used as a tool to guide Colchester's approach to further develop its key stakeholder



relationships. Having the Alliance Director on the Council's Senior Leadership Team provides opportunities to continue the great work on health, but the Alliance has a challenging agenda to fundamentally change the lives of local people and it is now critical to identify additional internal strategic resource to work alongside the new Alliance Director.

There is also a need to strengthen the Council's political and officer 'leaders of place' roles. It is time for the Council to look beyond Colchester and beyond Essex and to look nationally and internationally.

A new place narrative or vision will give CBC the platform to paint a picture of the future, inspiring and carrying the community and focussing its energy into those partnerships that will improve the lives of local people and fundamentally transform communities for the better. It is important to ensure that members lead, and officers deliver this exciting agenda.

Many in local government will know that the Devolution and Local Government Reform (LGR) debate switches on and off on a regular basis. However, it seems that the devolution agenda is very much alive in Essex. It requires attention by the Council. CBC must assess its position to advocate for a deal that works for Colchester. Active participation in LGR can be resource intense and therefore the peer team recommends that CBC fully consider the resources required to ensure that it can continue to deliver its priorities whilst maximising the opportunities that devolution/LGR could bring for Colchester.

### **Governance and culture**

It was clear that the political partnership in Colchester is strong and in a good place. There is mature cross party-political relationships and considerable respect for the new Leader of the Council. The example of the Leaders' Alumni session is positive and supported by the peer team.

There are positive relationships between officers and councillors, as well as trust and respect between councillors. The peer team welcomes that scrutiny in Colchester is led by the opposition group.

With the recent elections, officers have introduced some new engagement methods with 'all councillor briefings' being delivered and being well regarded.

The peer team also heard strong recognition of the support to Members and Parish Councillors received from the Democratic Services Team and Planning Team.

This cross party, mature political working is to be congratulated and demonstrates the positive focus on Colchester the place rather than the politics of the area.

During the days on site in Colchester, the issue of the current election cycle, and the feasibility of moving to quadrennial all-out elections, was raised. The peer team was struck by the number of times and by the variety of people that raised this issue. The peer team also recognises that this is a significant political decision for the Council, but the overwhelming feedback from staff, partners and stakeholders is that greater political stability would help deliver better outcomes for the communities of Colchester.

If the Council is going to explore a move to quadrennial elections, the peer team recommends that CBC engages with all councillors across the Council on this immediately, to avoid the risk of using precious officer time investigating an option for which there is no political appetite.

Linked with the peer team's recommendation regarding ensuring a steady external focus, it also recommends that CBC further strengthen political and officer leadership engagement with Essex County Council. The peer team heard it is getting better, however there is still more opportunity for improvement.

As is common in three tier local government areas, there can be confusion about responsibilities and a risk of duplication. The peer team encourages CBC to lead the development of a working framework. The peer team does not view this as an action for CBC alone, but one to develop with Essex County Council and parish/town councils to provide clarity to the community on how all the constituent parts will work together.

The peer team also recommends that CBC consider how scrutiny can add greater value and impact through effective programming. This will take resource, but with support scrutiny can provide an invaluable mechanism to challenge and drive forward the work of the administration. Proactive scrutiny can help shape the future direction of the Council and be effective in changing lives in the community.

To enhance the equality and diversity work, and to ensure the Council continues to

comply with its duty under the Equality Act, CBC commissioned an independent external audit in 2021. As part of the audit, an external consultant reviewed the existing HR policies and processes including recruitment, learning and development, the profile of CBC's workforce by protected characteristics and how far equality and diversity was embedded in the Council at all levels and across all services. This is a very positive piece of work that is driving improvement and, in conjunction with the Council's 'Communities Can' approach, building on the strengths that already exist to make improvements or changes that are important locally. The developing work on Asset Based Community Development (ABCD) is also to be supported. However, CBC has identified that it needs to be more proactive in dealing with equality and diversity issues – Colchester has a young, diverse and dynamic community and it should work to harness that diversity better.

### **Financial planning and management**

The strategic approach to the Council's 2023/24 budget and MTFF 2023-28 was agreed by July 2022 by Cabinet. In setting the 2023/24 budget, CBC is taking the following approach:

- Collaborative rather than siloed across services and system partners
- Working in tandem with setting a new Strategic Plan 2023-28
- Including a comprehensive review of the capital and investment programme
- Requiring savings to be generated progressively through the Council's transformation programme
- Revising its strategy to use reserves to balance short term temporary issues but aiming to achieve a long-term sustainable position.

Although the Council has significant savings to identify (£1.5m in 22/23 and £5m in 23/24), it has a good record of delivering agreed savings and councillors and officers fully understand the budget gaps and challenges ahead to close them.

Colchester has a positive approach to financial management and has effective governance and controls in place, nevertheless the financial challenges ahead will be difficult. It is critical that everyone is prepared to tackle these challenges.

External audit delays have caused some disruption to CBC. The Council has yet to

receive an audit opinion for 2020/21 due to long delays with the auditor's BDO. The audit of the 2021/22 accounts is also currently not scheduled to begin by BDO until Summer 2023. In this challenging environment, it is important that external auditors support councils to deliver their savings.

There is one area about which the peer team had significant concerns. The Council's capital programme requires immediate attention. There is a record of underspending on its capital programme. The peer team understands that this is due to a lack of planning, as well as to insufficient strategic finance capacity and resource to progress capital projects. This is crucial and with the current external financial environment has never been more important.

To enable the Council to deliver its ambitious agenda it must, as a matter of urgency, implement changes to improve planning, prioritisation, management, oversight and delivery of all capital projects and programmes. The Council should implement a benefits realisation approach to ensure that it is monitoring the benefits that its projects and programmes deliver.

The senior leadership team and Cabinet should also undertake an urgent review of the entire capital programme and given the external economic environment, as part of this undertake a commercial risk assessment to appropriate projects and programmes.


The peer team understands that there would be a strong appetite from both councillors and partners to take part in budget discussions, and in an exercise to prioritise the scheme of capital projects and programmes. Some partners felt that relationships had matured, and it was now the "time to put our cards on the table", be more honest and share the challenges with them to collectively problem solve.

### **Capacity for improvement**

As the peer team has referenced elsewhere, CBC has great staff who feel valued and are committed and loyal. The Council's focus on wellbeing and the Cost of Living is positive and staff value this.

It was also clear that senior managers and staff across the Council value councillors' insight and engagement. The peer team heard of several examples of where councillors bring new ideas and positive engagement to service areas – with this





there is always a risk of a 'grey area' of roles and responsibilities and councillors should always be aware that their role is to represent their wards and make decisions, whereas the role of officers is to give advice, to deliver services and to carry out the decisions of councillors.

There are many exemplars of best practice across the Council, such as the work during the Coronavirus pandemic, the support and work with refugees and asylum seekers, and the Neighbourhood Model being deployed across the town centre, with system partners working collaboratively to tackle the complex needs of Colchester's most vulnerable residents. It would be powerful if this practice was shared more widely throughout the organisation and across services. There is an opportunity to use this approach as a peer-to-peer support network and to bring the organisation together. Consider initiatives such as 'lunch and learn' sessions, with a balanced focus on the lunch as well as the learning. When this is embedded, assess whether this approach could be shared wider to include partners and to provide an opportunity to share projects across the system.

The Council has impressive project and performance management systems, but these systems are not used as effectively as they could be across the organisation. The peer team asks whether they are becoming overly bureaucratic and could be streamlined, or whether there is insufficient resource to make best use of the project and performance management systems already in place?


It was clear that the Council has some excellent and highly engaged voluntary and third sector partners who also want to step up and lean in to support the Council. CBC should therefore continue to capitalise on its ABCD way of working and utilise the passion and support that is available.

During the verbal feedback, the peer team shared its concerns regarding stretched resources, declining performance and too many projects and the need to focus on delivering 'Brilliant Business As Usual' and strengthening corporate resources.

The peer team does have concerns about capacity. To be successful in delivering a new strategic plan and achieve the ambitions for the borough, there is a need to focus on priorities and resourcing.

CBC should consider if it is possible to deliver all the programmes successfully and how and where it can build extra capacity and resilience within the organisation.





There are many ways this could be achieved, but based on the peer team's conversations and reflections the following is recommended:

- Undertake a review of all services, and make some difficult decisions about future levels of service delivery – the peer team heard enthusiasm from both officers and councillors to focus on delivering basics brilliantly
- Avoid continually chipping away at corporate support services as the impact of this is being felt across the entire Council. Proactively involving corporate support services at the project initiation stage will also ease capacity, as the services will spend less time solving problems that would not have arisen with earlier engagement.

As previously mentioned, the peer team would strongly recommend CBC bolsters strategic finance and reflects on the capacity within its Human Resource and Organisational Development teams to ensure there is sufficient capacity to change and achieve continuous improvement and deliver the authority's People Strategy. In terms of the Council's people approach, the peer team suggests further developing a corporate apprentice and graduate programme – great for Colchester's young people and great for CBC.

CBC has recruitment and retentions challenges; like many Councils' and with the current external environment this is not unusual. The peer team recommends that CBC develops its 'employer of choice' approach whilst also working with partners to identify and develop opportunities for shared services – this might not only be in Essex, but beyond county boundaries.

As mentioned, CBC is not alone with its recruitment and retention challenges. Shared services discussions with other Essex Councils should continue to be pursued, and the agenda around devolution/LGR could also be used as a route to look more strategically at the issues.

Throughout the visit to Colchester, the peer team have seen excellent performance and project management systems. However, we would recommend that the Council considers developing its project and programme management approach. With the depth and breadth of CBC's ambition it does not appear that programme and project management methodology have been adequately defined. Given the issues with delivery of the capital programme, we would recommend that the Council reflects on

its approach and investigates the option of re-creating the project management office (PMO) in the corporate centre of the organisation.

Re-establishing a strong corporate PMO would enable the Council to improve the rigour, of its monitoring and provide strategic oversight and better control of resources across all its projects and programmes. It would enable the Council to clearly identify the inter-dependencies between projects and provide clear identification of any pinch points or duplication. One area the peer team identified would be to improve and share lessons learned and identify good practice across projects, to ensure a high level and consistent approach which would improve the management of risk and create manageable workloads, allowing effective prioritisation and creating a strong framework for the golden rope.

In terms of governance, the peer team recommends that there should be more councillor oversight of the delivery of projects and programmes, this could be achieved via a councillor led Major Projects Board.

There is a lack of clarity about what hybrid working will mean for the Council when Rowan House reopens. The Council needs to define what 'hybrid' means for Colchester and provide a clear definition and communication of where the Council aims to be, and what this means for staff.


For example, options could be that centralised staff are told when they must come into the office; team by team, whereby individual teams devise their own patterns to meet service demands; and fully distributed where every individual makes the decision about where and when they work.

In addition, there are some LGA resources that CBC may find useful. These include a roundtable event with over 135 local authorities to discuss the challenges and opportunities of hybrid working - [Feedback from the LGA hybrid working roundtable events May 2021 | Local Government Association](#)

A regularly updated new ways of working website - <https://www.local.gov.uk/new-ways-working-local-government>

And a recent blog from the LGA's Head of Workforce - [June 2021: Hybrid working will be the new normal . . . sort of | Local Government Association](#)

CBC should consider the creation of corporate apprenticeship and graduate schemes



and continue to promote the grow your own approach. The apprenticeship levy is used in some service areas and more use is anticipated particularly for staff at the lower entry level. But the levy should be considered for existing staff to help them advance their careers or to move into a new field such as planning, project management or leisure management.

Finally, the peer team urgently encourages CBC to review its Waste Service. The peer team understands that there are differing models of delivery across the borough so there is a need to consider rationalising the model of delivery to enable increased resilience across the fleet and staff resources moving forward.

Also, as an area of significant cost and budget pressure, every opportunity should be explored to recover reasonable costs associated with delivery of the service. The peer team understands that this will be tough, but we encourage CBC to do it.

## **Transformation and Organisational Development**


The new Chief Executive's people centred approach and focus on wellbeing is welcomed by staff:

- Consultation on the values through the Speak Up Now (SUN) Ambassadors is positive
- The focus of the new Internal Communications Officer with an updated approach to communications which is more inclusive and targets frontline staff
- And the Chief Executive and her senior managers are more visible than ever before.

The new people strategy and management toolkit provides an opportunity to improve training and development and new ways of working across the Council.

The reopening of Rowan House, the Council's Headquarters, provides significant opportunities and staff are looking forward to understanding what the new hybrid working policy will mean. The peer team heard that the new booking system is welcomed.

A new management development programme has begun, and it will be critical that all teams across the Council have a clear understanding of the values and are united



behind them. It is important that the Council's future values are bold and reflect the opportunities city status brings and that they are not just words on a page, they should be lived. To achieve this, it is critical that the SUN group engages across the Council to develop the values and leads the future drive to enact them in everything the Council does.

CBC's People Strategy is critical to enabling the Council to move forward. It should complement the new Strategic Plan by acting as the enabler for improving workforce capability and engagement. There are several areas where the peer team consider there is an opportunity to strengthen the approach:

- Revisit the Reward and Recognition programme to ensure it is inclusive and open regarding nominations and decisions;
- Review ways of improving career progression opportunities through the internal movement and promotion – look at other innovative options and maximise the use of the apprentice levy to support this;
- Become an employer of choice by refocussing on the employee value proposition, repackaging the Council's offer and focussing on what it can provide for future employees;
- CBC has a commitment to talent management but needs to shout about that more – increase the amount of staff information and guidance regarding talent management;
- Finally, to support CBC's internal staff, consider ways of balancing internal upgrading with external recruitment.

## **Regeneration and Growth**

It is clear that CBC has a great team who have a proven record of delivery and a strong track record of accessing funding.

This is underpinned by a strong ethos of collaborative team working across staff, partners, other councils, and the business community. Some examples are

- Staff and partners are committed with a genuine positivity about Colchester the place

- The business community is positive and engaged – messages can always be shared and officers are always accessible
- Work with adjoining authorities has enabled collaborative working to progress – such as the Garden Community initiative,


Impressive growth has been delivered with Colchester one of the fastest growing places in the UK. The council is not sitting on its laurels, rather it is continuing to explore different ways of delivering growth.

The council has high aspirations for Colchester and there are multiple projects and programmes being delivered across services. It would be helpful to develop a plan to link and prioritise these projects and programmes, ensuring a direct link to your new Strategic Plan. This will enable the Council to determine the best approach to resourcing these priorities.

The Council should also take a more proactive approach to target the sectors it wants to attract to its area through its regeneration and growth agenda. Further consideration should be given to how it could use its large asset base to support focused key sector growth. This should be supported by additional work targeting the sectors it wants to attract; engagement with key businesses and investors in the borough on this focused issue would support this approach.; This work would align with work to develop a skills plan for the borough. There would also be merit in considering whether the Council wants to or should play a landowner role within the new garden Community.

The Council's wholly owned group of commercial companies Colchester Commercial Holdings Ltd (CCHL) is delivering on the Council's commercial trading, housing and energy activities. Colchester Commercial Holdings Ltd and its three subsidiaries have been operating for over four years and, whilst delivery has no doubt been impacted by the Coronavirus pandemic, during the corporate peer challenges issues were expressed regarding CCHL as follows:

- that the risks to which the Council was exposed as a result of CCHL were not clear and/or understood.
- there was little evidence that the benefits for which CCHL had been established had been realised or that there were the mechanisms in place to

- 
- ensure that there was alignment with the Council's priorities
- the board membership of CCHL could be strengthened by the appointment of independent directors
  - senior councillors sitting on the board of CCHL risked conflict between their duty to the company and the interests of the Council, and therefore may be more appropriate for members to act in the capacity of a Shareholder Board (which would need to be established as part of a governance review of the company structure).
  - Senior officers sitting on the board questioned whether they had full visibility of the activities of the companies to enable them to make informed decisions as part of the Board and whether they had the appropriate skills and experience to perform this role effectively

With the current challenging external environment, and a number of high-profile failures of council-owned companies it is timely for the Council to take stock of their businesses. The appointment of the new Chief Executive creates an opportunity to refocuses on the effectiveness and appropriateness of the existing governance and risk management arrangements in relation to CCHL. A review also provides an opportunity for the Council to obtain external assurance that CCHL is meeting the Council's expectations, delivering real benefits, and providing value for money.

Due to the complexity of the companies, it is recommended that an independent external review is commissioned to assess whether the companies are realising the benefits they were established to deliver, that the risks associated with the companies are understood and that the governance arrangements are robust.

The Council's housing stock of 5,905 homes is managed by an arm's length housing management organisation, Colchester Borough Homes (CBH).CBH has been operating since 2003. Work is underway to recruit a joint post with CBH for an equality and diversity specialist and a dedicated joint post for safeguarding is also now in place.

Similarly, to CCHL it would be timely to undertake a review to understand if there is an overlap between Council services and the work of CBH. The peer team believe the Council has the capacity to undertake this review in-house.

## 5. Next Steps

It is recognised that senior political and managerial leadership will want to consider and reflect on these findings.

To support openness and transparency, the council is expected to publish this report within six weeks. There is also an expectation that an action plan is publicly available alongside the report's publication.

Both the peer team and LGA are keen to build on the relationships and the corporate peer challenge process includes a six-month progress review currently scheduled for June/July 2023. This will be a facilitated session which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps and any further support required.

CBC is already progressing certain aspects and is seeking best practice and working collaboratively with the peer teams' councils.

Rachel Litherland, Principal Adviser for the East of England and Gary Hughes, Peer Challenge Manager are the main contacts between CBC and the Local Government Association. Rachel and Gary are available to discuss any further support.  
[rachel.litherland@local.gov.uk](mailto:rachel.litherland@local.gov.uk) or [gary.hughes@local.gov.uk](mailto:gary.hughes@local.gov.uk) .





## LGA Corporate Peer Challenge – September 2022

### Action Plan – 2022/23

#### Key recommendations:

1. Focus on city status. Use this as an opportunity to galvanise partners, improve the Borough's economic and cultural strength and raise the voice of Colchester;
2. Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme and project capacity and the resources to deliver;
3. Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future;
4. Strengthen your political and officer 'leaders of place' roles and look beyond Colchester – map your anchor institutions, partners and stakeholders;
5. Review your priorities and projects and refocus on delivering 'Brilliant Business As Usual' and strengthen your corporate resources;
6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester's communities;
7. Better define with your staff what 'hybrid working' means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester's ambition; and
8. Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver.

Recommendation:		Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
1.	<b>Focus on city status. Use this as an opportunity to galvanise partners, improve the Borough's economic and cultural strength and raise the voice of Colchester.</b>	<p>Working Group and meetings commenced 9/09/2022. Three strands to the City Status Programme identified:</p> <ul style="list-style-type: none"> <li>• Civic – Award of City Status on 23 November 2022 and possible Royal visit, governance arrangements, branding, signage and comms.</li> <li>• Year of Celebration – Commencing 1 January 2023. Focusing on Heritage and cultural events already happening + Big Siege Event and establish a clear marketing strategy.</li> <li>• Legacy and longer-term place making – A year of meeting and listening to our partners/ local businesses/ Town &amp; Parish Councils/ Uni/ schools/ residents to find out what City Status means to them and what they need from it.</li> </ul>	<p><b>Cllr Pam Cox/Cllr David King</b></p> <p>Andrew Weavers Comms – Laura Hardisty</p> <p>Lucie Breadman/ Comms – Laura Hardisty</p> <p>Lindsay Barker</p>	<p>December 2023</p> <p>December 2023</p> <p>December 2023</p>
2.	<b>Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme</b>	<p>Full review of Capital Programme including:</p> <p><b>Update:</b> A working squad of key individuals has been assembled to review the Capital Programme. Monthly meetings commenced in November. A</p>	<p><b>Cllr Mark Cory</b></p> <p>Lucie Breadman/ Gary Reid</p>	31/03/2023

Recommendation:		Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
	and project capacity and the resources to deliver.	<p><i>squad action plan is being used to monitor progress and task completion.</i></p> <ul style="list-style-type: none"> <li>• Moratorium on new schemes unless agreed by Senior Board/Leadership as essential and unavoidable.</li> </ul> <p><b>Update – to discuss at Senior Leadership Board</b></p> <ul style="list-style-type: none"> <li>• Senior Board and Leadership to consider fortnightly reports on the capital programme</li> </ul> <p><b>Update – will commence end of January 23, verbal updates till then</b></p> <ul style="list-style-type: none"> <li>• Create a cadre of project managers across the Council family</li> </ul> <p><b>Action:</b> <i>Put in place a new strengthened Programme Management Officer complete with a cadre of project managers. A better resourced corporate Project Management Office (PMO) would enable the Council to improve the rigour of its monitoring and provide strategic oversight across all projects and programmes.</i></p> <p><b>Update – to discuss at SLB in light of recruitment freeze.</b></p> <ul style="list-style-type: none"> <li>• Review of all current projects against Cost, Delivery and Time</li> </ul>	<p>Lucie Breadman</p> <p>Richard Block</p> <p>Gary Reid</p>	<p>31 January</p> <p>31 January</p> <p>31 January</p>

Recommendation:	Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
	<p><b><i>Update: This piece of work has started and will include recommendations of what remains, is deferred and what is removed from the Capital Programme.</i></b></p> <ul style="list-style-type: none"> <li>Review and development of a new asset strategy</li> </ul> <p>To include new ways of managing (and potential disposal of non-investment/operational assets) as well as high level investment and disinvestment options of commercial space. Will also take into account future development, eco growth, CC&amp;S and regeneration programme (acquisitions).</p> <p><b><i>Update: A working squad of key individuals has been assembled to assist with the strategy development.</i></b></p> <p><b><i>Strategy is being tendered Jan 2023 and will need to account for budget challenges, Council strategies and priorities and will be shaped through officer and member involvement. Full strategy developed for June 2023, but work will run parallel to this) and will involve:</i></b></p> <ul style="list-style-type: none"> <li><b><i>Further sweating of our assets, looking at disposal where possible (where lease and other restrictions allow and loss of income is accounted for), potential for changes of</i></b></li> </ul>	Mandy Jones	



Recommendation:		Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
		<ul style="list-style-type: none"> <li>Initial findings presented to Senior Board on 23 November 2022 – <b>Update – will be 8<sup>th</sup> December update</b></li> <li>Monthly Working Group Meetings commencing 28 November – <b>Update - done</b></li> </ul>		
3.	<b>Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future.</b>	See City Status – Legacy above and work is also underway to develop a new strategic plan - for adoption in February 2023	<b>Cllr David King</b> Lindsay Barker	31/12/2023
4.	<b>Strengthen your political and officer ‘leaders of place’ roles and look beyond Colchester – map your anchor institutions, partners and stakeholders.</b>	This has been added as a standing item for consideration and discussion at each Senior Leadership Board meeting. A full analysis and map of stakeholders will also be undertaken.	<b>Cllr Julie Young</b> Senior Leadership Board	31/01/2023
5.	<b>Review your priorities and projects and refocus on delivering ‘Brilliant Business As Usual’ and strengthen your corporate resources.</b>	New Strategic Plan to be developed with prioritised delivery plan and a “golden rope” to capacity. Define Brilliant Business as usual through reviewing service provision and ensure this is appropriate for a modern green city and is deliverable with the resources available.	<b>Cllr David King</b> Richard Block	High level strategic objectives defined and considered by

Recommendation:		Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
		<p>Review all projects and prioritise against the following tests:</p> <ul style="list-style-type: none"> <li>• Delivery against new strategic plan and delivery plan objectives</li> <li>• Support for refined “Brilliant Business as Usual” services</li> <li>• Available capacity to deliver</li> </ul> <p>Develop a business case for strengthened Corporate Services and deliver by consolidation of services.</p>		<p>Cabinet 24/1/2023</p> <p>Delivery plan developed by 31/03/23</p> <p>Business case developed and implemented by 31/03/2023</p>
6.	<b>Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester’s communities.</b>	<p>Full Council Motion to explore the alternative electoral arrangements, whether as now or 'All Up', or a variation. The Council will set up a cross party working group to explore all options with findings to be presented to Full Council in February. Council can then review findings collectively and discuss next steps forward.</p>	<p><b>Cllr David King</b> Andrew Weavers</p>	<p>Full council motion considered by 1/12/2022</p>
7.	<b>Better define with your staff what ‘hybrid working’ means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and</b>	<p>Hybrid working guidance incorporated into the Rowan House Hub guidance which has been co-authored by the Rowan House working group comprising 24 representatives across all services.</p> <p>Final draft guidance has been published as part of a wider consultation exercise. All staff have had the opportunity to feed in. Guidance will be launched by end of November.</p>	<p><b>Cllr Adam Fox</b> Jess Douglas</p>	<p>Hybrid Guidance – 30/11/2022</p>

Recommendation:		Plans/Achievements	Lead Cabinet Member/ Officer	Target Completion Date
	<b>will help achieve Colchester's ambition.</b>	<p>An Organisation Development plan has been produced which incorporates the CBC purpose, values work. This was discussed at the November Senior Leadership Board meeting.</p> <p>The SUN Group has been tasked by the CEX to engage colleagues in their services and discuss the new values.</p> <p>Following the Management Conference, a manager working group will work together on a plan to launch and embed the values, team purposes across CBC through a communications and engagement programme.</p>		31/3/2023
8.	<b>Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver.</b>	<p>Reviews have been commissioned. CCHL Risk assessment report received, CIPFA full review commissioned.</p> <p>CBH Risk assessment to report back mid January 2023.</p> <p>CCHL Annual Report for both the Risk Assessment and the CCHL Peer Review.</p>	<p><b>Cllr David King and Cllr Adam Fox</b></p> <p>Lindsay Barker</p>	<p>CCHL review 30/1/2023</p> <p>CBH review 31/03/2023</p>



## Cabinet

Item  
**9(ii)**

25 January 2023

<b>Report of</b>	<b>Chief Operating Officer</b>	<b>Author</b>	<b>Gary Reid</b> ☎ 07874984922
<b>Title</b>	<b>Half Year April – September 2022 Performance Report Key Performance Indicators (KPI) and Other Performance News</b>		
<b>Wards affected</b>	All wards		

### 1. Executive Summary

- 1.1 This report provides details of performance against Key Performance Indicators (KPI's) at half year for 2022 - 2023. The report also includes other performance news.

### 2. Recommended Decisions

- 2.1 To review performance against Key Performance Indicators and where Key Performance Indicators have not been met that appropriate corrective action has been taken.

### 3. Reason for Recommended Decision

- 3.1 To review half year performance for 2022 – 2023 and ensure robust performance management of key Council services.

### 4. Alternative Options

- 4.1 No alternative options have been presented to Cabinet.

## 5. Background Information

- 5.1 The Council has agreed key performance indicators which it uses as part of its Performance Management Framework to help monitor progress and improvement. This report provides an update on the Council's Key Performance Indicators and a review of other performance achieved throughout the reporting period.
- 5.2 The report at Appendix A features an improved graphical presentation of year-to-date performance, previous year performance and targets.
- 5.3 It is important to note that with a new Strategic Plan being developed for 23/24 and beyond and the more challenging financial position for the Council, KPI targets for 23/24 will need to be revised. Any new KPI's will need to reflect the capacity and resources available to the Council.
- 5.4 At the half year point for April - September 2022, the overall position is that 7 targets were achieved (or 'green'), and 6 did not meet the target in full ('red').
- 5.5 Of the seven KPIs that have been achieved ('green' KPI's), it is worth noting that some have been exceeded. This is particularly the case in relation to Housing Benefit and Local Council Tax Scheme (KPI K1B1) where residents are receiving benefits after an average of two days processing time, one of the lowest processing times in the country.
- 5.6 Targets for processing all types of Planning applications have also been exceeded
- 5.7 Targets have not been met for six indicators ('red' KPIs) due to a range of impacts mainly arising from the Covid-19 pandemic. These are:
- K1H1 Net Additional Homes Provided
  - K1H2 Affordable Homes Provided
  - K1H4 Rent Collected
  - K1R3 Sickness
  - K1W1 Residual Household Waste per household
  - K1W2 Household Waste recycled, reused and composted
- 5.8 **Net additional homes provided.** Past results demonstrate Q1 & Q2 results are not indicative of the end of year figure. The 2022-2023 housing trajectory predicts delivery in the region of 880 dwellings this year. This is slightly below the KPI target, but annual delivery is expected to pick up significantly in 2023-2024 as more large sites start delivering at full capacity. Higher delivery in subsequent years will ensure the Council can demonstrate a deliverable supply of housing over the 5-year period 2022-2023 to 2026-2027.
- 5.9 **Affordable homes delivered.** Affordable housing delivery is slightly behind with two quarters remaining of the 2020-2023 period. Numbers were adversely affected by the pandemic which caused material shortages and instability in the housing market. In the remaining two quarters we will see an increase of Registered Provider homes being delivered which will bring us closer to the target of 380.
- 5.10 **Rent Collected.** Rent income is slightly under the expected position at the end of Q2. Cost of living pressures and delays with Court hearings have led to some cases with higher rent

arrears. We expect improvement in Q3 and Q4 with two “rent free” weeks which balance regular monthly payment accounts.

- 5.11 **Sickness.** The sickness rate is still higher than the KPI target, but we have seen the figures start to reduce during the second quarter. After peaking in May, following the Covid wave that caused a lot of sickness in the spring, the sickness rate has reduced for four consecutive months and is projected to reduce further during the rest of the year.

This is due to a combination of a much lower level of sickness in the summer of 2022 compared to 2021 and the positive effects of the new Sickness Management Policy that was introduced at the start of 2022. This is seeing a reduction in long-term sickness as issues are identified and managed more quickly to support staff in getting back to work as early as possible.

- 5.12 **Residual Household Waste.** There has been a significant change in the amount of waste being produced by residents showing a reduction from 193.36 Kg to 174.69 Kg per household at Period 6 versus the previous year, reflecting both the cost-of-living crisis, and our ongoing campaign to enforce the limit on collections to 3 black bags or 1 180 litre wheeled bin.

We remain slightly behind target for the full year by 1.69 Kg at Period 6.

- 5.13 **Household Waste recycled, reused and composted.** The K1W2 performance has been impacted by both the exceptionally dry weather in June, July and August reducing year on year Garden Waste volumes by 28.28%, and the impact of the cost-of-living crisis reducing consumption of both Dry Recycling (Paper, Plastics, Glass and Cans) which are down by 9.75% and lastly Food Waste which has reduced by 7.1%.

At this stage last year, the comparable figure was 52.91% shown a decrease in relative performance of 0.49%.

This year's target for recycling at 55% is an increase over last year's 53% target.

- 5.14 In addition to the performance described above, the Council has again received numerous awards and accreditations, and these are highlighted at the end of Appendix B.

## 6. Equality, Diversity and Human Rights implications

- 6.1 Robust performance management of key Council Services supports the aims of improving both services and the lives of everyone in the borough. Where required, specific Equality Impact Assessments will exist for policies and activities rather than for individual performance indicators or actions.

## 7. Strategic Plan References

- 7.1 There are no references to the 2020 – 2023 Strategic Plan.

## 8. Consultation

- 8.1 The report's contents do not have any direct implications regarding consultation.

## **9. Publicity Considerations**

- 9.1 The performance report contains measures for our key performance indicators. Many of these are used to monitor the performance of our services, and as such these may be of public interest. The report and related information are published on the Performance and Improvement section of the Council's website.

## **10. Financial implications**

- 10.1 The financial implications of the action plans to deliver the indicators form part of the budget setting process.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 Many of the KPI targets reported above ensure that Council Services that have a positive impact on Health and Wellbeing are delivered effectively.

## **12. Health and Safety Implications**

- 12.1 There are no direct health and safety implications associated with this report.

## **13. Risk Management Implications**

- 13.1 There are no direct risk management implications associated with this report.

## **14. Environmental and Sustainability Implications**

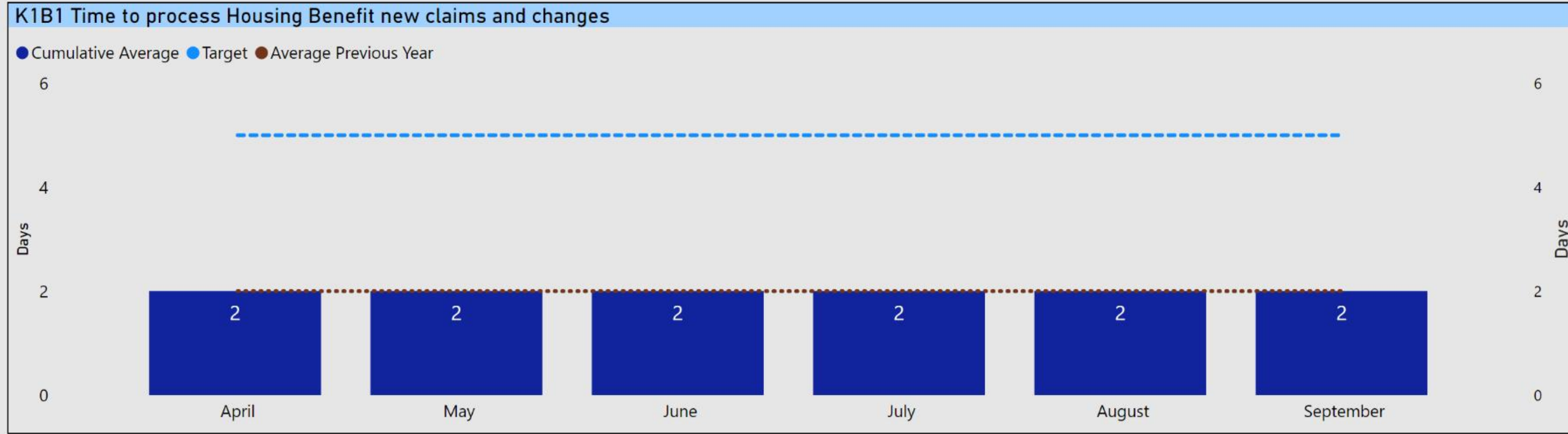
- 14.1 The KPI's relating to recycling and the levels of residual waste collected are the key indicators that contribute to Environment and Sustainability.

## **Appendices**

- A. KPI Year End Report covering April – September 2022.
- B. Awards and Other Performance News covering April – September 2022.

**Corporate**  
**Key Performance Indicators**  
**Covering Half Year**  
**April - September 2022**

K1B1 Housing Benefit	→
K1B1 LCTS	→
K1H1 Additional Homes	→
K1H2 Affordable Homes	→
K1H3 Homelessness	→
K1H4 Rent Collected	→
K1H5 Re-lets	→
K1P1 Planning Apps (Majors)	→
K1P1 Planning Apps (Minors)	→
K1P1 Planning Apps (Others)	→
K1R1 Council Tax	→
K1R2 NNDR	→
K1R3 Sickness	→
K1W1 Residual Waste	→
K1W2 Recycled Waste	→
K1W3 % of Scheduled Collections Made	→



Cumulative Average against Target

2✓

Target: 5 September

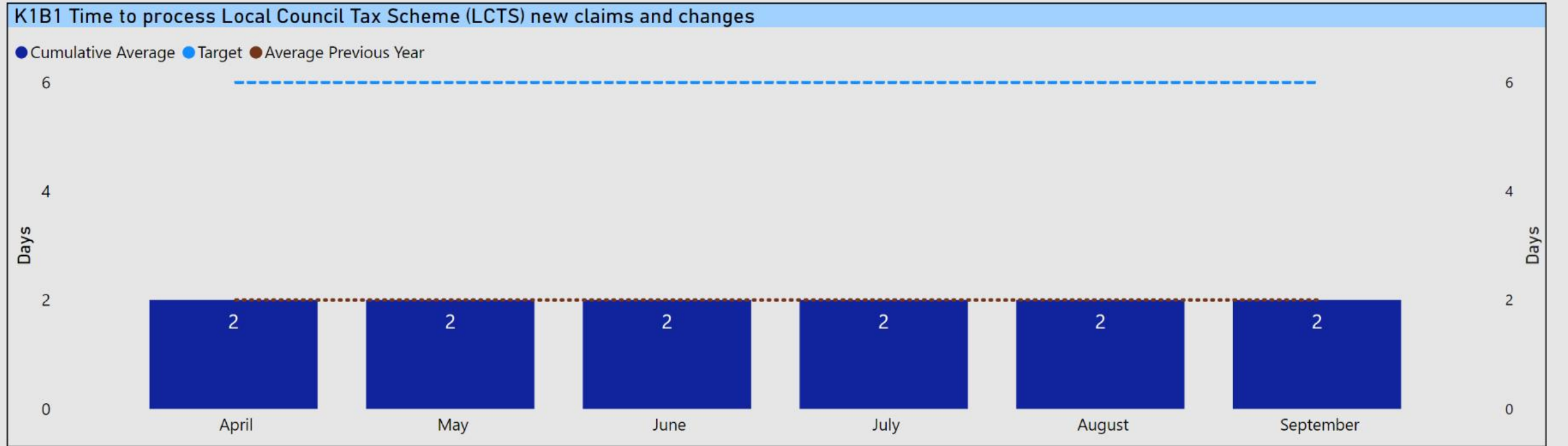
Supporting Narrative

The team continue to assess claims as quickly as possible, achieving some of the lowest processing times in the country.

2023-2024 Target

Proposed Target to be reviewed early 2023





Cumulative Average against Target

2✓

Target: 6 September

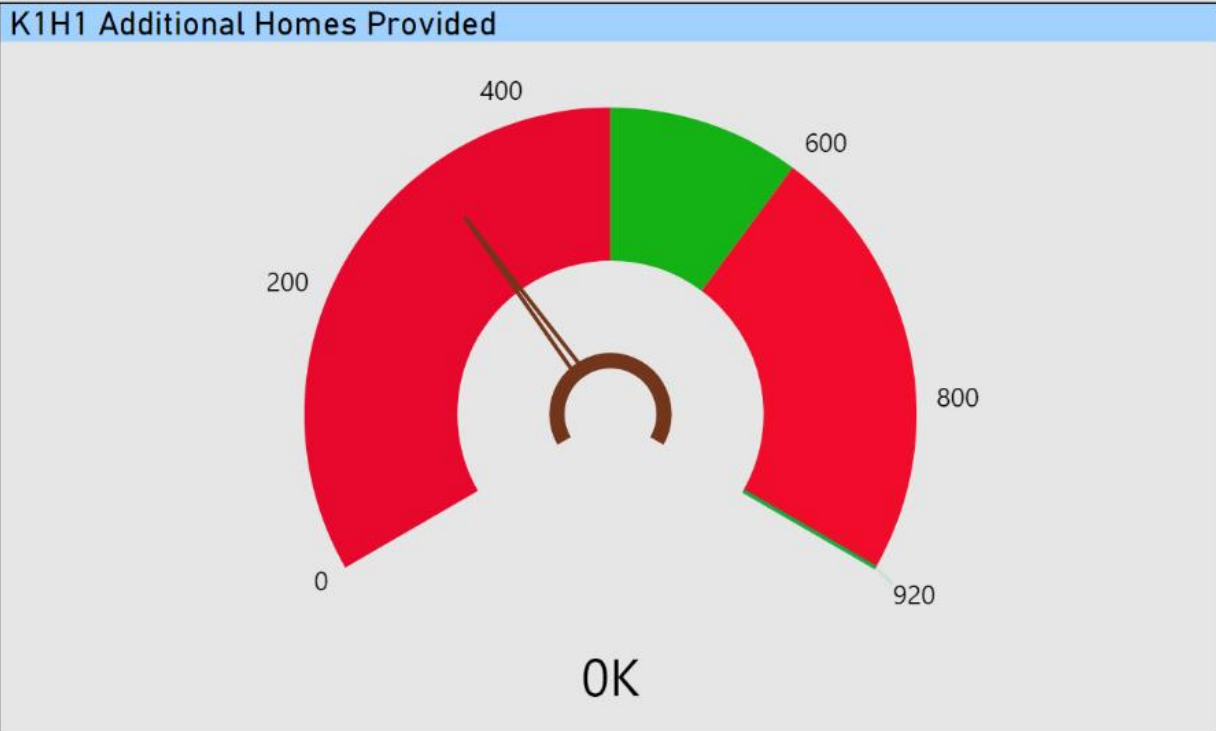
Supporting Narrative

The team continue to assess claims as quickly as possible, achieving some of the lowest processing times in the country.

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2023-2024 Target

Proposed Target to be reviewed early 2023



Actual towards Target

320!

IndicativeTarget: 460  
September

Supporting Narrative

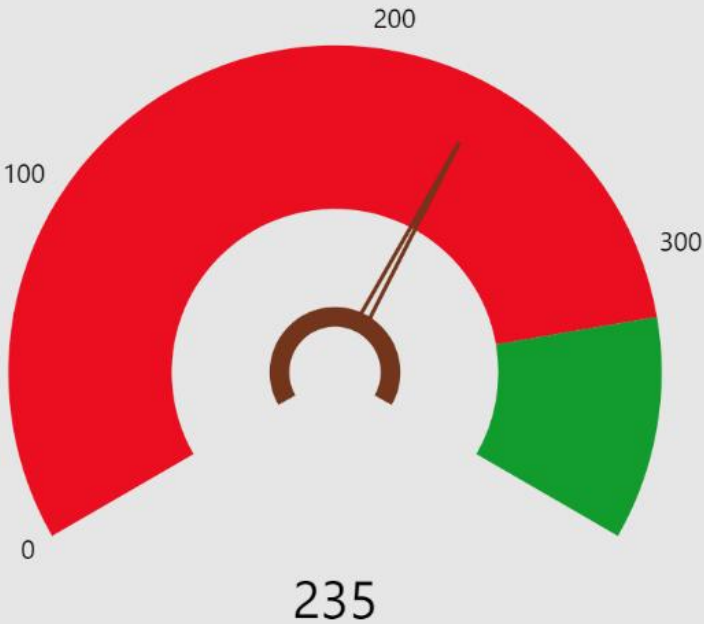
Past results demonstrate Q1 & Q2 results are not indicative of the end of year figure. The 2022/23 housing trajectory predicts delivery in the region of 880 dwellings this year. This is slightly below the KPI target but annual delivery is expected to pick up significantly in 23/24 as more large sites start delivering at full capacity. Higher delivery in subsequent years will ensure the Council can demonstrate a deliverable supply of housing over the 5 year period 2022/23 to 2026/27.

2023-2024 Target

Proposed Target to be reviewed early 2023



K1H2 Affordable Homes Delivered over Three Years



Actual against Year Two Target

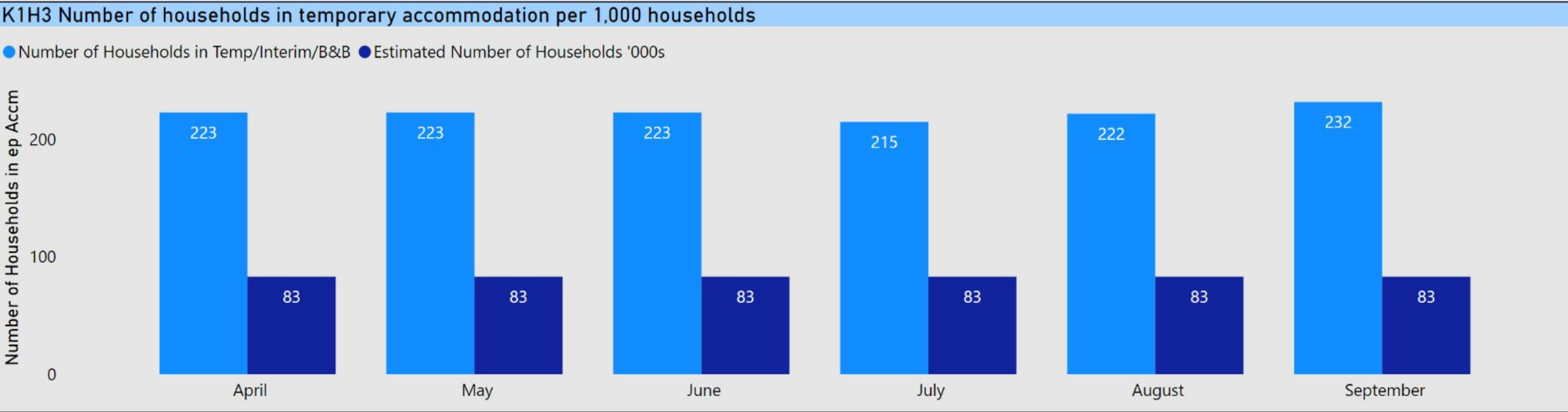
235 !  
Indicative Target: 317  
September

Supporting Narrative

Affordable housing delivery is slightly behind with two quarters remaining of the 2020-2023 period. Numbers were adversely affected by the pandemic which caused material shortages and instability in the housing market. In the remaining two quarters we will see an increase of Registered Provider homes being delivered which will bring us closer to the target of 380.

2023-2026 Target

Proposed Target to be reviewed early 2023



Actual against Target

2.80✓

Target: 2.90  
September

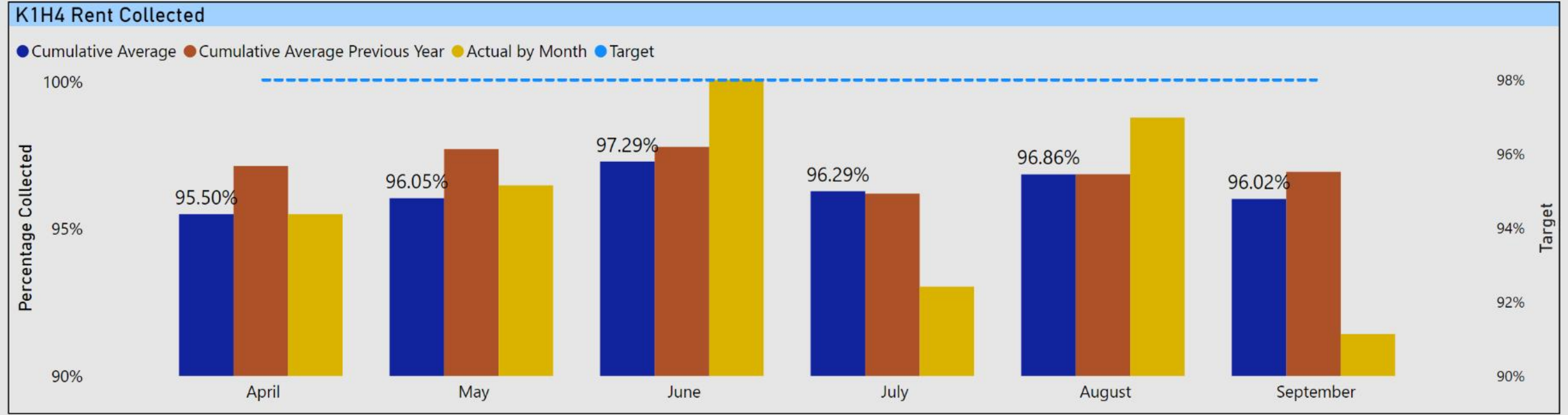
Supporting Narrative

This indicator remains within target at the end of the quarter. However, the Housing Solution service is under considerable pressure with an increase in the numbers of households approaching for support. Solutions in the private sector are now unaffordable for many who approach for support, which is leading to an increasing number requiring temporary accommodation.

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2023-2024 Target

Proposed Target to be reviewed early 2023



Cumulative against Target

96.02%!

Target: 98%  
September

Supporting Narrative

Rent income is slightly under the expected position at the end of quarter 2. Cost of living pressures and delays with Court hearings have led to some cases with higher rent arrears. We expect improvement in Q3 and Q4 with two “rent free” weeks which balance regular monthly payment accounts.

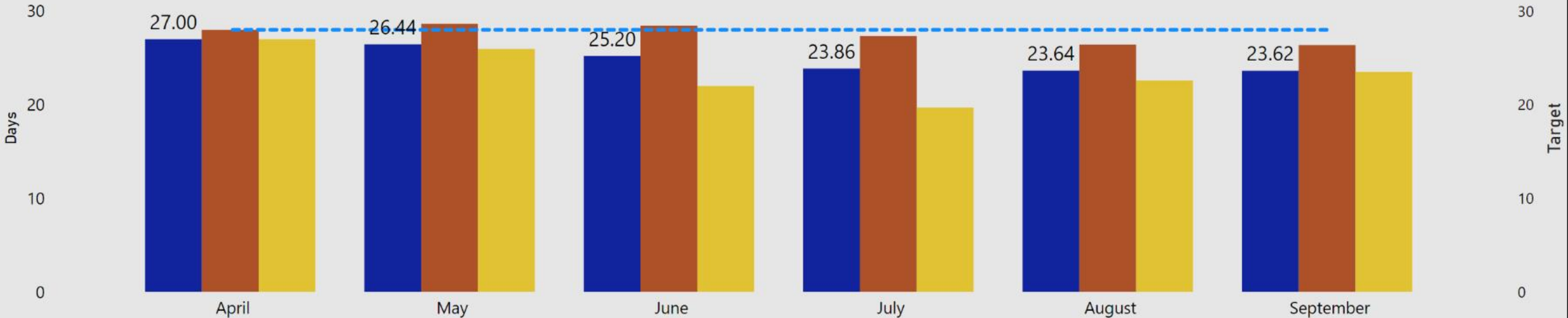
2023-2024 Target

Proposed Target to be reviewed early 2023



K1H5 Average time to re-let Council Homes

Cumulative for Year
 Cumulative Previous Year
 Actual by Month
 Target



Cumulative against Target

23.62✓

Target: 28  
September

Supporting Narrative

Good performance from both contractor and in house team to achieve results within target. There continues to be supply issues (Doors, glazing) which may contribute to delays.

2023-2024 Target

Proposed Target to be reviewed early 2023



Average against Target

100%✓

Target: 85%  
September

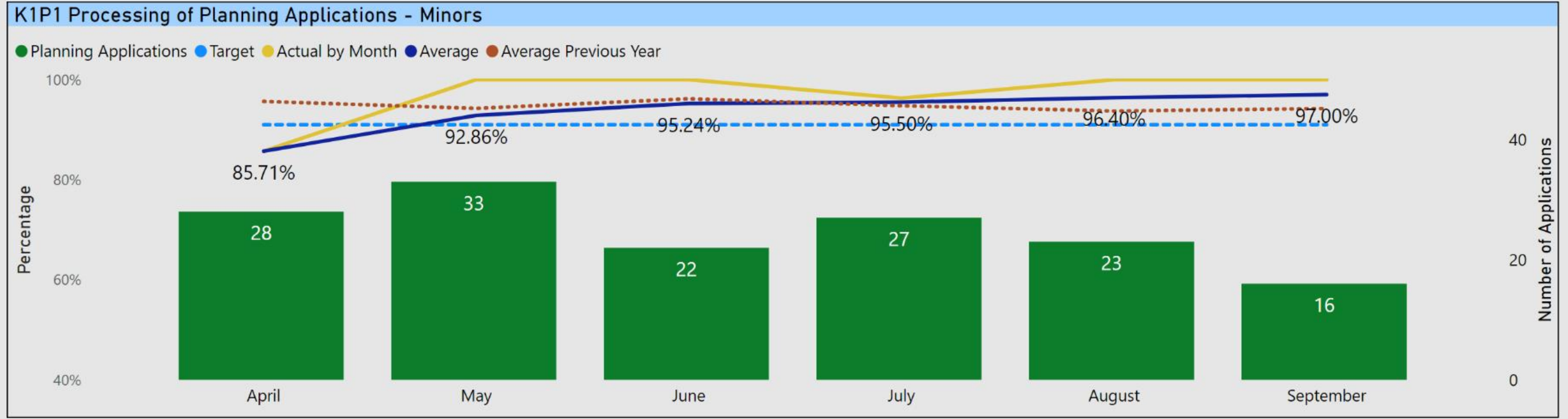
Supporting Narrative

The team achieved a consistently high level of decision making for major applications, performance is on track and targets are being met.

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2023-2024 Target

Proposed Target to be reviewed early 2023



Average against Target

97.00%✓

Target: 91%

September

Supporting Narrative

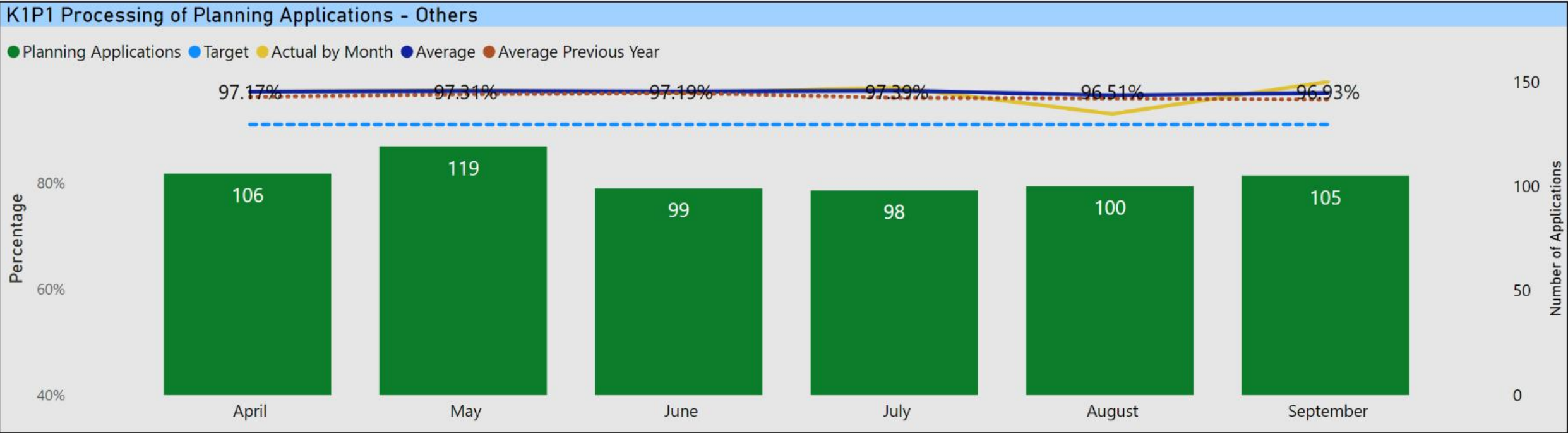
The team achieved a consistently high level of decision making for minor applications, performance is on track and targets are being met.

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2023-2024 Target

Proposed Target to be reviewed early 2023





Average against Target

96.93%✓

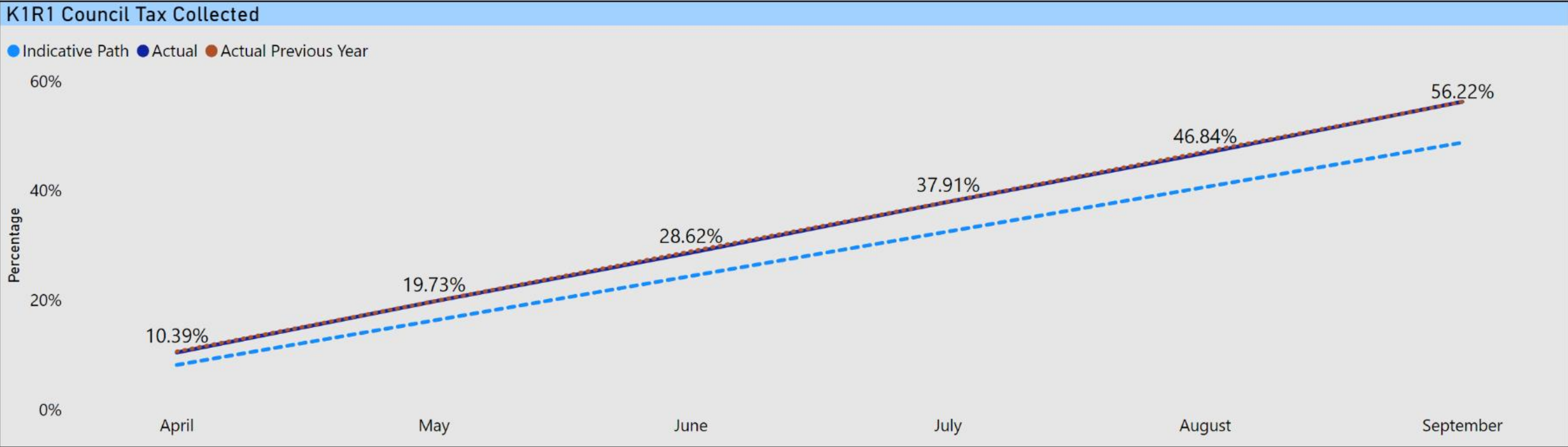
Target: 91%  
September

Supporting Narrative

The team achieved a consistently high level of decision making for other applications, performance is on track and targets are being met.

2023-2024 Target

Proposed Target to be reviewed early 2023



Actual against Year End Target

56.22%✓

Indicative Path: 48.75%  
September

Supporting Narrative

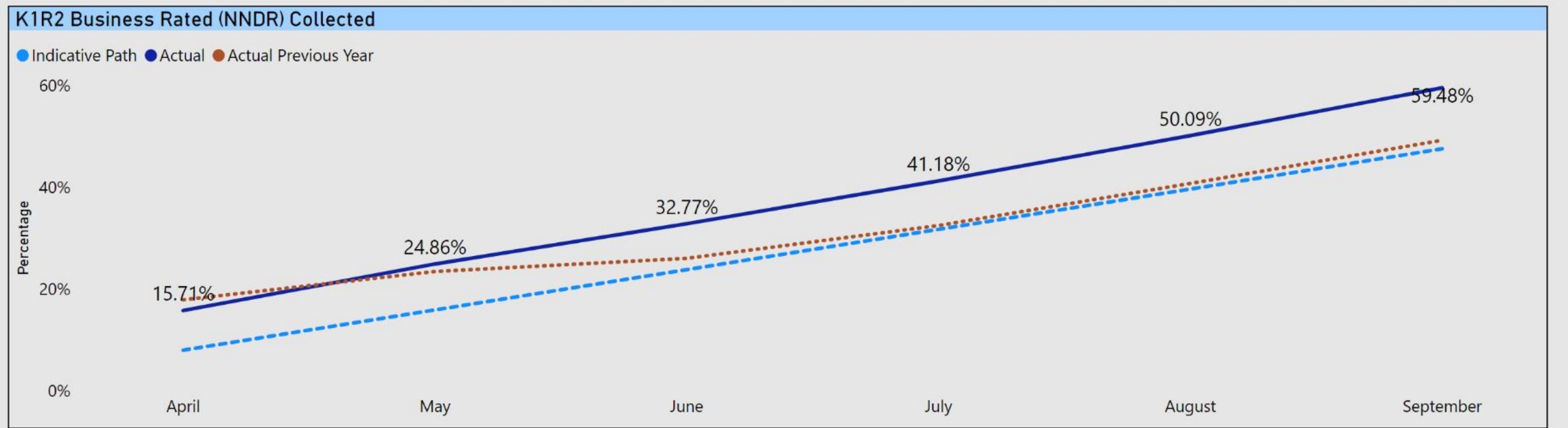
Collection remains on target and is expected to improve towards year end. The team have focused on the distribution of the Council Tax Rebate which has delayed some of the standard recovery action normally taken. The rebate scheme closes at the end of Nov and over 99% of households received their payments.

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2023-2024 Target

Proposed Target to be reviewed early 2023





Actual against Year End Target

59.48%✓

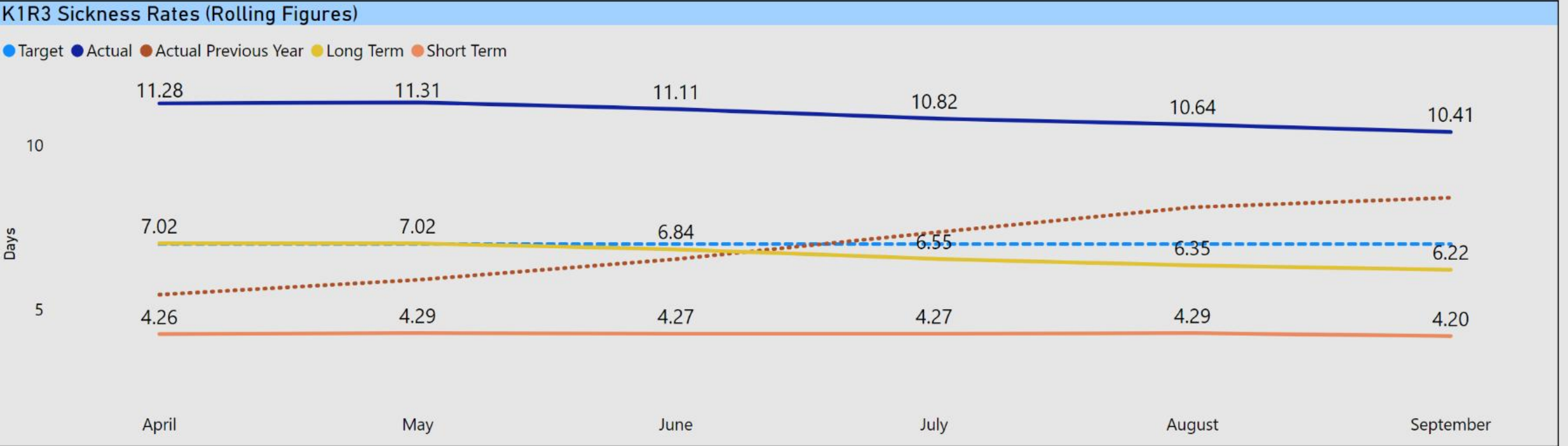
Indicative Path: 47.50%  
September

Supporting Narrative

The business rates team are now focused back on collection and compliance, following the impact of business grants work. Collection is in a very strong position and expected to exceed the target.

2023-2024 Target

Proposed Target to be reviewed early 2023



Actual against Target

10.41 !

Target: 7 September

Supporting Narrative

The sickness rate is still higher than the KPI but we have seen the figures start to reduce during the second quarter. After peaking in May, following the Covid wave that caused a lot of sickness in the spring, the sickness rate has reduced for four consecutive months and is projected to reduce further during the rest of the year. This is due to a combination of a much lower level of sickness in the summer of 2022 compared to 2021 and the positive effects of the new Sickness Management Policy that was introduced at the start of 2022. This is seeing a reduction in long-term sickness as issues are identified and managed more quickly to support staff in getting back to work as early as possible.

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2023-2024 Target

Proposed Target to be reviewed early 2023





Actual against Target

174.69!

Indicative Path to date: 173.00  
September

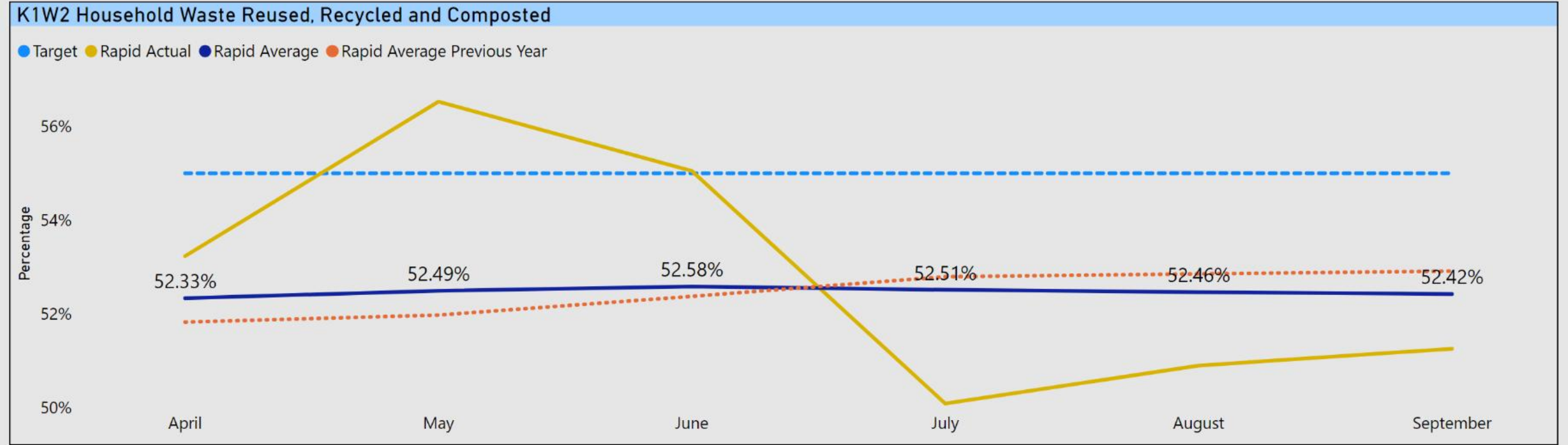
Supporting Narrative

There has been a significant change in the amount of waste being produced by residents showing a reduction from 193.36 Kg to 174.69 Kg per household at Period 6 versus the previous year, reflecting both the cost of living crisis, and our ongoing campaign to enforce the limit on collections to 3 black bags or 1 180 litre wheeled bin. We remain slightly behind target for the full year by 1.69 Kg at Period 6.

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2023-2024 Target

Proposed Target to be reviewed early 2023



Average against Target

52.42%!

Target: 55%  
September

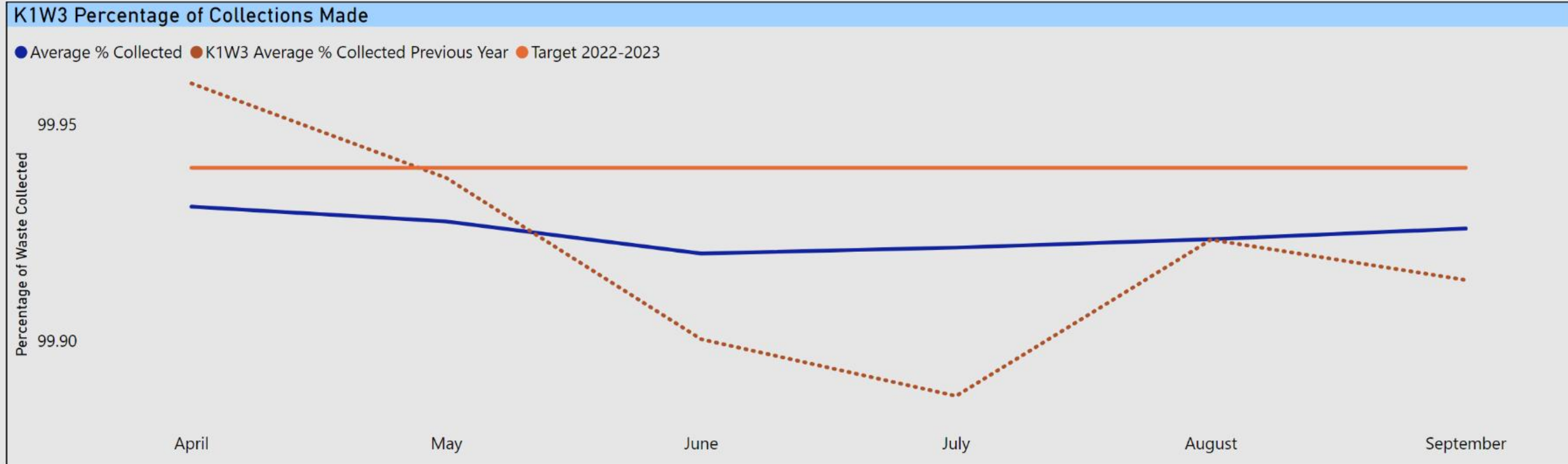
Supporting Narrative

The K1W2 performance has been impacted by both the exceptionally dry weather in June, July and August reducing year on year Garden Waste volumes by 28.28%, and the impact of the cost of living crisis reducing consumption of both Dry Recycling (Paper, Plastics, Glass and Cans) which are down by 9.75% and lastly Food Waste which has reduced by 7.1%. At this stage last year, the comparable figure was 52.91% shown a decrease in relative performance of 0.49%. This year's target for recycling at 55% is an increase over last year's 53% target.

2023-2024 Target

Proposed Target to be reviewed early 2023





Average against Target

99.9!

Target: 99.9  
September

Supporting Narrative

The K1W3 Performance at period 6 is marginally below full year target of 99.94% but is an improvement over the previous year's 99.92% at the same point. Significant investment has been made in behavioural change of the Recycling and Waste crews however the ongoing need for agency causes ongoing performance impact.

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2023-2024 Target

Proposed Target to be reviewed early 2023



## Other performance news

- **Awards and accreditations**

The highlights are summarised here and are also shown on [www.colchester.gov.uk](http://www.colchester.gov.uk) in the [achievements](#) section

<b>Achieved April to September 2022 – half-year report</b>	
<a href="#">Quest</a> - UK quality scheme for sport and leisure	<a href="#">Colchester Sports Park</a> is now a <a href="#">Quest Accredited Site</a> , with the full report highlighting the facilities as “Very Good”. Quest is the Sport England recommended continuous improvement tool for leisure facilities and sports development teams, designed to measure how effective organisations are at providing customer service. It is the industry’s recognised barometer of success. <b>October 2022</b>
<a href="#">British Parking Awards</a>	The North Essex Parking Partnership (NEPP) were finalists in five categories. The ‘ <a href="#">Rising Star</a> ’ award went to Jake England, Group Operating Manager, Environment. This award shines a spotlight on the rising stars of parking, in recognition of the person “who has consistently made an outstanding contribution to their team and the wider parking sector”. <b>October 2022</b>
<a href="#">Park Mark awards</a> and <a href="#">Park Mark Plus</a> - British Parking Association (BPA)	All 20 Council-owned car parks across Colchester borough have retained national <a href="#">Park Mark</a> awards for their safety, accessibility and quality management for the fourteenth consecutive year.  <a href="#">Priory Street Car Park</a> was only the second car park in the country to receive <a href="#">Park Mark Plus</a> status in 2020, and it has now retained this elite award for the third consecutive year. The award recognises only the highest-quality car parks, and assesses a range of criteria, including services, operations, design and build. To qualify for the award, car parks must already have the BPA’s <a href="#">Park Mark award</a> and meet the <a href="#">Disability Parking Accreditation</a> criteria. <b>August 2022</b>
<a href="#">Fields in Trust - UK's favourite parks</a>	Colchester Castle Park and High Woods Country Park were voted ‘East of England Local Favourites’. The public nominated 364 parks for UK's Favourite Parks 2022 and cast over 30,000 votes for local green spaces close to their hearts. Those parks finishing in the top 20% of the public vote achieved 'Local Favourite' status, reflecting the love shown for them by their local communities. <b>August 2022</b>
<a href="#">Working towards becoming a Dementia Friendly Community status</a>	The Council has been recognised for its continuing efforts to raise awareness of dementia among staff and residents. CBC, a member of the Colchester Dementia Action Alliance (CDAA), has been accredited and awarded ‘ <a href="#">Working towards becoming a Dementia Friendly Community</a> ’ status. <b>August 2022</b>

<a href="#">Green Flag Awards</a>	Castle Park, High Woods Country Park and Colchester's Cemetery and Crematorium have received <a href="#">Green Flag Awards</a> . Green Flags set a benchmark of standards for management and maintenance of publicly accessible urban and countryside parks, and they promote the community value of green spaces. As well as receiving its twentieth Green Flag award, <a href="#">Castle Park</a> has also once again been awarded <a href="#">Green Heritage Site</a> status, which recognises its work to promote its historic surroundings. <b>July 2022</b>
<a href="#">East of England RTPI 2022 – Head Planner of the Year</a>	Karen Syrett, the Council's lead planning officer, was presented with the <a href="#">Head Planner of the Year</a> award at the East of England RTPI awards and goes through to the national finals in November. The prestigious awards celebrate outstanding plans, projects and people that demonstrate the power of planning – highlighting exceptional examples of how planning and planners have a positive impact on people's quality of life in creating exceptional places and protecting the environment. <b>July 2022</b>
<a href="#">Colchester named England's most recycling conscious town</a>	Food waste disposer supplier, InSinkErator, analysed the recycling habits of towns and cities across England, generating a 'recycling-conscious score'. Colchester also came out on top, with a recycling conscious score of 94%. <b>June 2022</b>
<a href="#">Kids in Museums</a>	Colchester Castle was one of three venues shortlisted for ' <a href="#">Best Accessible Museum 2022</a> '. Hundreds of families across the country voted for their favourite heritage attraction. A panel of museum experts, children and young people then whittled down the nominations to this shortlist, saying "What set the venues on our shortlist apart was that they not only created an excellent visitor experience for families, but also showed a great commitment behind the scenes to respond to family feedback and improve access, especially for those who are not regular visitors". <b>June 2022</b>
<a href="#">Promoting Awareness of Civil Enforcement through Reporting (PACER) Awards</a>	North Essex Parking Partnership won the 'best use of Design' category of the 2022 PATROL PACER Awards for <a href="#">their NEPP Parking Annual Report 2020-21</a> . The PACER awards are presented to the best parking and traffic management Annual Reports across seven categories. <b>June 2022</b>
<a href="#">LEXCEL</a>	Legal Services have been re-accredited following the Lexcel standard's annual inspection, for the 22nd consecutive year. Lexcel is the Law Society's legal practice quality mark for excellence in legal practice management and excellence in client care. <b>June 2022</b>
<a href="#">Health and Wellbeing Awards – Colchester Gazette</a>	Donna Hoy from Colchester Leisure World was awarded first place in the Personal Trainer category. The Activa Gym took third place in the Best Gym category. <b>May 2022</b>
<a href="#">GeoPlace Exemplar Awards</a>	The Council has been awarded the ' <a href="#">Platinum Award for Address Data</a> '. It recognises councils that have maintained Gold, which is the highest level of data quality, in all of the Annual Improvement Schedule criteria.



	<p>These awards recognise best practice and outstanding address data management by local authorities who have consistently maintained the highest level of data quality. Land, property, street and address information are used to connect different services across the Council – giving communities and individuals a ‘property-level view’ of the services available to them.</p> <p><b>May 2022</b></p>
<a href="#">Museums and Heritage awards</a>	<p>Colchester + Ipswich Museums’ <a href="#">Power of Stories</a> exhibition won the <a href="#">temporary or touring exhibition of the year</a>. Why the judges chose this winner: <i>The judges were impressed by how brilliantly the Power of Stories connected with its community. They felt it was genuinely powerful and demonstrated a clear and lasting benefit. Delivered on a budget which only just took them into this category, this block buster was extremely good value as well as being both surprising and smart.</i> CIMS won the 2022 award when other finalists included the V&amp;A, Natural History Museum and Blenheim Palace. <b>May 2022</b></p>
<a href="#">EDIE Sustainability Leaders awards 2022</a>	<p>The Council’s ‘<a href="#">CAREless pollution</a>’ campaign was Highly Commended in the Consumer Engagement Campaign category. The campaign was established in 2020 to tackle poor air quality in Colchester. The aim is to encourage drivers to switch off their vehicle engines when stationary, cutting pollution by up to 30%. <b>April 2022</b></p>
<a href="#">Councillor Development Charter</a>	<p>This award recognises that the Colchester Borough Council has achieved best practice in the way it provides learning and development opportunities for its elected members (councillors). The Council was first awarded Charter Status in 2011 and was reaccredited in 2015, 2018 and 2022. The accreditation lasts for a period of three years, followed by a full reassessment.</p> <p>The Charter is recognition of the Council’s achievement of best practice in the way it provides learning and development opportunities for its elected members and also provides effective support to its elected members. This provides reassurance to current and potential members. It also provides a reassurance to residents that their elected representatives will be supported to enable them to undertake their roles and responsibilities effectively.</p> <p>To achieve Charter Status the Council had to demonstrate that it has met all of the following criteria:</p> <ul style="list-style-type: none"> <li>a) There is a clear commitment to councillor development and support</li> <li>b) The Council has a strategic approach to councillor development</li> <li>c) Learning and development is effective in building skills and knowledge.</li> </ul> <p>To meet these criteria, the Council demonstrates its commitment to supporting and developing councillors and how this is reflected in its policies and procedures. Key elements include an all-party member development group, a member development policy and strategy and formal methods of assessing member training needs.</p> <p><b>April 2022</b></p>

### ***Other sources of performance data***

**Statistics and data** – the [Council Data](#) section at [colchester.gov.uk/council-data](http://colchester.gov.uk/council-data) includes a range of our statistics, performance indicators, datasets and information.

Categories include [spending](#), [business rates](#), [democracy](#), [housing](#), [land](#), [parking](#), [planning and licensing](#), [recycling and waste](#), along with a broad range of [council information](#). Numerical data can be downloaded in csv format.

Pulling all this together in one place on our website helps customers, businesses, and other interested parties to easily find out information we hold. It also help us to maintain our publication obligations on open data and transparency.

**Annual reports** – the Council produces annual reports on its performance in various areas. These are brought into one place on the Council's website [here](#) for ease of reference, and to make it easier for the public to find which annual reports are available.

**[Single Data List](#)** -this is a list of all the datasets that local government must submit to central government. The list is reviewed and updated annually. Local authorities are not obliged to provide any data which is not on the list without extra funding.

**25 January 2023**

<b>Report of</b>	<b>Chief Operating Officer</b>	<b>Author</b>	<b>Gary Reid</b> ☎ 07874984922
<b>Title</b>	<b>Half Year covering April to September 2022 Performance Report - 2020-2023 Strategic Plan Action Plan</b>		
<b>Wards affected</b>	All wards		

**1. Executive Summary**

- 1.1 This report provides details of progress in delivering against the Councils Strategic Plan for 2020-2023 at half year of 2022-2023.

**2. Recommended Decisions**

- 2.1 To confirm satisfactory delivery against the Strategic Plan Action Plan and that the Council has made satisfactory progress in meeting its strategic goals.

**3. Reason for Recommended Decision**

- 3.1 To ensure the Council has robust performance management of delivery against key strategic goals.

**4. Alternative Options**

- 4.1 No alternative options have been presented to Cabinet.

## 5. Background Information

- 5.1 The Council has agreed a new Strategic Plan covering 2020-2023. This report provides a review of progress against the Strategic Plan at the half year point 2022-2023.
- 5.2 Details of progress made in delivering against each aim is shown in the report at Appendix A.
- 5.3 Some key highlights from the first 6 months are detailed below:
- 5.4 **Tackling the climate challenge and leading sustainability** - The Colchester Woodland and Biodiversity Project will continue to develop in 22/23 by continuing to plant trees in suitable areas and by focusing on the naturalisation of sites, enhancing the biodiversity further, reviewing the management regimes and continue to communicate changes to our communities.
- 5.5. **Creating safe, healthy, and active communities** - Embedding Communities Can with the system, partners and communities including training and awareness, learning from best practice, capacity building and outcomes focus, enabling an Asset Based Community Development Approach, funding is being sourced for a dedicated post to sit in C360.
- 5.6 **Delivering homes for people who need them** - Colchester's new Housing Strategy 2022-25 was developed by the Council and its partner organisations and adopted by Cabinet in July. The Strategy sets out our ambition for housing over the next 5 years including increasing the supply of affordable homes that are energy efficient.
- 5.7 **Growing a better economy so everyone benefits** - Our bid for City Status was successful and we are engaging partners to agree how to capitalise on this. Working with Essex County Council and partners to develop a Masterplan for the Town Centre is well underway with strong engagement with partners and stakeholders. We are working with the Business Improvement District to support businesses through their Leisure Recovery Strategy and on projects such as to install new gateway signage to promote use of local town centre retail.
- 5.8 **Celebrating our heritage and culture** - The Shared Prosperity Fund will also support three projects to be delivered by Creative Colchester; business support for the cultural sector and creative industries in Colchester; a new monthly cultural offer in the City Centre bridging the gap between the day and night economies and a project working with local schools to encourage young residents to pursue careers in our local cultural industries.

## 6. Equality, Diversity and Human Rights implications

- 6.1 Progress and improvement of these and many of the actions within the Strategic Plan Action Plan support our aims of improving both services and the lives of everyone in the borough. Where required, specific Equality Impact Assessments will exist for policies and activities rather than for individual performance indicators or actions. Progress on the Council's Equality Objectives are included within the Strategic Plan Action Plan Update.

## 7. Strategic Plan References

- 7.1 The Strategic Plan Action Plan demonstrates delivery of across all the current Strategic Plan priorities.

## **8. Consultation**

- 8.1 The report's contents do not have any direct implications; however, the Strategic Plan and priorities were agreed using the results of significant research and taking into account previous public consultations.

## **9. Publicity Considerations**

- 9.1 The performance report contains progress in delivering key goals of the Strategic Plan Action Plan and it is important that residents and businesses are made aware of these. Many of the achievements will have been publicised during the year but the report and related information will also be published on the Performance and Improvement section of the Council's website.

## **10. Financial implications**

- 10.1 All achievements detailed in the Strategic Plan Action Plan were delivered from within existing approved budgets and as such, there are no new financial implications associated with this report.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 There are actions within the Strategic Plan Action Plan which aim to improve community safety and as such this report provides progress updates in this area.

## **12. Health and Safety Implications**

- 12.1 There are no direct health and safety implications associated with this report.

## **13. Risk Management Implications**

- 13.1 There are no direct risk management implications associated with this report.

## **14. Environmental and Sustainability Implications**

- 14.1 Tackling the Climate Challenge and leading sustainability is a key theme of the Strategic Plan and the report at appendix 1 provides details of the progress in delivering the associated goals.

## **Appendices**

Appendix A – Strategic Plan Action Plan Half Year Report



## **Better Colchester Strategic Plan Action Plan (SPAP) 2020 – 2023**

### **Half Year Report covering April - September 2022**

#### **Themes:**

- **Tackling the climate challenge and leading sustainability**
- **Creating safe, healthy, and active communities**
- **Delivering homes for people who need them**
- **Growing a better economy so everyone benefits**
- **Celebrating our heritage and culture**

#### **Tackling the climate challenge and leading sustainability:**

- Respond to the Climate Emergency
- Conserve and enhance biodiversity
- Enable more opportunity for walking and cycling around Colchester
- Strategic Priorities achievements and next steps

#### **Respond to the Climate Emergency**

- The Council agreed to develop a 17.5 Hectare Solar Park and Microgrid at the Northern Gateway and has completed RIBA stage 1 and 2 feasibility/viability work, now proceeding onto a planning application stage.
- The Council has completed the detailed design work for the Energy centre and Heat Network connections at the Northern Gateway ready to proceed to construction stage in 2023.
- The HVAC renewable heating system at Rowan House was successfully installed after the Climate Change Team secured £500k of Salix funding for this project to replace 30-year old gas boilers.

## Respond to the Climate Emergency

- Work started on a new Carbon Management plan 2022-2027 and seven (7) properties are having detailed Decarbonisation Plans prepared that will be ready in November 2022; to understand further carbon reduction possibilities and costing for our assets.
- The Council's carbon emissions for financial year 2021/22 increased by 9.7% (525 tonnes of CO<sub>2</sub>e) compared to 2020/21; however, 2020/21 was a year where operations were significantly impacted by Covid-19 (buildings shut for long periods and some operations stopped) so the 2021/22 emissions do reflect a 4.3% decrease compared to 2019/20 (pre pandemic).
- CAREless pollution 'No idling' campaign has produced a short film showcasing what local people are doing to tackle air pollution, worked with 22 schools and has promoted the campaign through sharing resources with businesses and the public and a range of media and events over the summer.
- Study 3 of the signage project testing psychological based messages in Brook St and Eastgates to encourage drivers to switch their engine off continued and finished in September. Results will be available at the end of October.
- Research has been undertaken with a number of logistics software companies to explore opportunities to develop the app for the new Defra funded eCargo Bike concierge service to be developed for the town centre for shoppers to have their shopping delivered home or to a locker in an outlying carpark leaving them free to spend more leisure time in town.

## Conserve and enhance biodiversity

- The Colchester Woodland and Biodiversity Project will continue to develop in 22/23 by continuing to plant trees in suitable areas and by focusing on the naturalisation of sites, enhancing the biodiversity further, reviewing the management regimes and continue to communicate changes to our communities.
- To commemorate the Queen's Jubilee year, we delivered the Jubilee Tree Canopy Project in partnership with our local communities. We received requests for 22 Jubilee Oak Trees from Town and Parish Councils 11 of which have now been planted with a further 11 due to be planted during November 2022 when the planting season begins again.



### **Conserve and enhance biodiversity**

- We delivered a Blossoms Circles programme, commemorating 2020 at King's Meadow. Around 124 volunteers helped plant the blossom circles. Four local poets were invited to write poems which are now displayed at the site, and the poetry reading event took place in April which was a huge success.
- We will shortly be planting 125 street trees in 16 different locations following a successful application to the Local Authority Tree Scape fund. These locations have been suggested by local Councillors.
- Now that the policy has been in place and we have extended it to other sites, a review is currently being undertaken on the impact and effectiveness, and recommendations or changes will be made as appropriate.
- Working in partnership with Wivenhoe Town Council, a total of 24 sites are now left longer incorporating the 'no mow, no sow' principle.
- Discussions have been held with Ward Members in Greenstead to explore possible Nature Recovery sites. Locations have been agreed at Magnolia Fields and Hickery Avenue to be left as wildflower sites. It is anticipated that more discussions will be held with other Town and Parish Councils and local Councillors to identify further sites across the Borough.

### **Enable more opportunity for walking and cycling around Colchester**

- After the Sustainable Travel Team secured an unprecedented 4<sup>th</sup> consecutive round of Defra funding in 2021-22, we have submitted a 5<sup>th</sup> bid for an overarching project to combine the previous 4 projects targeting increased use of sustainable, healthier travel and cleaner air quality.
- The Council awarded a contract for the first E-Car Club which will open in Colchester in Autumn 2022 and provide a growing network of electric cars available for hire use over the coming years.
- The Council supported ECC and Tier in extending the E-Scooter trial until May 2024 with over 18,500 people now subscribed, and over 8,000 regularly active riders in Colchester, with over 300,000 miles travelled on scooters across more than 445,000 total rides now taken.

### **Enable more opportunity for walking and cycling around Colchester**

- The Council has supported Tier in introducing E-Hire Bikes to supplement the E-Scooters and add choice for different demographics from Autumn/Winter 2022.
- “Fixing the Link” started the planned “Phase 2” projects with the replacement of the yellow flags from North Station to High Street, funded by Greater Anglia, ECC and CBC.
- The first Secure Cycle Parking Hub has progressed through final legal and fire safety checks, ready to open in Autumn/Winter 2022.
- Two shared pay as you go eCargo bike hubs are under development with the Council led Town Centre hub anticipated to be launched in Autumn 2022 and the Old Heath recreation ground hub in 2023. The scheme has been promoted over the summer at local events and over 200 residents have had a go on an eCargo Bike and given feedback.
- The Levelling Up Fund bid included a number of walking and cycling improvements and the Active Travel Fund 2 projects have been progressing ready to deliver the Local Cycling Walking Infrastructure Projects (LCWIP) with Essex County Council.
- The Council’s E-Cargo bikes project has collectively ridden over 25,000 miles to date saving approximately 7,710 tonnes of carbon compared to equivalent car journeys

### **Strategic Priorities achievements and next steps**

- Continue to develop plans for tree planting along parts of the River Colne, as well as works to manage flooding from riverside lake near Castle Park.
- Completed workshops in collaboration with the University of Essex considering a participatory budgeting approach to the development of the Green & Blue Infrastructure Strategy, considering the River Colne. Present the findings from the workshops to Policy Panel as part of the strategy development.
- Continued with preparations of a new Castle Park Management Plan.
- Completed site safety measures to reduce the risk of unauthorised site incursions.
- Undertake consultation with key stakeholders on proposed plans at Cymbeline Meadow.

- **Creating safe, healthy and active communities:**
- Build on community strengths and assets
- Tackle the causes of inequality and support our most vulnerable people
- Provide opportunities for young people
- Strategic Priorities achievements and next steps

### **Build on community strengths and assets**

- Embedding Communities Can with the system, partners and communities including training and awareness, learning from best practice, capacity building and outcomes focus, enabling an Asset Based Community Development Approach, funding is being sourced for a dedicated post to sit in C360.
- Continual review, promotion and support of Community Assets already in place to maximise their benefit to our residents including maximising the S106 development contributions available to support this, including mapping warm spaces for the cost of living support
- Collaborate and influence outcomes through the new Alliance Neighbourhood Model of working across NEE with all system partners.
- Work with Communities to maximise and deliver community infrastructure to mitigate the impacts of development (Community S106 programme).

### **Tackle the causes of inequality and support our most vulnerable people**

- Improve the advice, support and signposting to grants to reduce the impact of increasing fuel prices and improve energy efficiency in homes
- Work to address the housing issues that exacerbate inequalities and impact on the most vulnerable, including supply, healthier homes, being able to remain in your home and tackling criminal landlords.

### **Tackle the causes of inequality and support our most vulnerable people**

- Using NEE ICB funding to build capacity and improve outcomes which tackle inequalities across Colchester and Tendring
- Influence and work with partners to leverage external funding aimed at improving outcomes for those suffering from Domestic Violence & our Refugee and Asylum Seeker Communities.
- Programme of system support, advice, communications and signposting in place to assist resident with the cost of living crisis

### **Provide opportunities for young people**

- Maximising the Youth facilities and Heart of Greenstead Town Deal projects funding with other monies to provide the best youth provision possible in Colchester.
- Using the Local Delivery Pilot to invest in projects to encourage physical activity in our young people.
- Working with the Alliance partners in the Start Well domain to ensure that all young people have the best possible start in life.

### **Strategic Priorities achievements and next steps**

- Communities Can approach embedded across the System with well trained staff, supportive Members and a community led or co-produced approach that realises the potential and delivers tangible outcomes that reduce the inequalities faced by many.
- Maximising the value of significant investment made by the NEE ICB, aimed at reducing inequalities across Colchester.
- Implementing the newly agreed Cost of Living action plan to help residents through the current cost of living crisis, both short and long term.
- Programme of system support, advice, communications and signposting in place to assist resident with the cost of living crisis

### **Delivering homes for people who need them:**

- Increase the number, quality and types of homes
- Prevent households from experiencing homelessness
- Create new communities and adopt a new Local Plan that delivers jobs, homes and the infrastructure to meet the borough's future needs
- Strategic Priorities achievements and next steps

### **Increase the number, quality, and types of homes**

- The Strategic Plan target for 2020 to 2023 is to deliver 380 affordable homes (set pre Covid). Currently 267 homes have been delivered.
- From April – end of September 2022 a total of 41 new homes were delivered including 18 with Registered Providers via S106 agreements, 15 via 100 Homes & Acquisitions and 8 Council new build.
- Colchester's new Housing Strategy 2022-25 was developed by the Council and its partner organisations and adopted by Cabinet in July. The Strategy sets out our ambition for housing over the next 5 years including increasing the supply of affordable homes that are energy efficient.
- Military Road was completed, providing 8 new affordable homes owned by the Council and now occupied by tenants from the housing needs register.
- All 5 sites for the "Phase 3 Garage Sites" obtained planning permission to deliver more new Council-owned affordable homes in 2023.
- The tender of the contract to build Cross Cottages, a garage site in Boxted, was issued in order to progress into a construction phase for this site.
- The Council agreed to enter into 2 new "package deals" to acquire land with affordable homes, and is progressing the legal agreements on this new method of delivering affordable homes owned by the Council.
- The "Accessible Homes" Project was agreed, and initiated, to seek sites to deliver 10 new affordable homes specifically targeting and unmet need for fully adapted properties.

### **Prevent households from experiencing homelessness**

- The Homelessness and Rough Sleeping Strategy Delivery Plan actions are due to be reviewed for 2022-23 and an updated Delivery Plan and Progress Report will be published.
- Between April and the end of September 2022, homelessness was prevented for 96 households and 43 households were assisted into accommodation under the relief duty.
- Between April and the end of September 2022, the Rough Sleeper Team provided support and assistance to 43 rough sleepers and accommodated 14, whilst 19 rough sleepers were reconnected.
- The Council secured £811,599 funding under the governments “Rough Sleeper Initiative” (RSI) for 3 years (2022-25), to continue to provide outreach, tenancy support and accommodation for rough sleepers or those at risk of sleeping rough.

### **Create new communities and adopt a new Local Plan that delivers jobs, homes and the infrastructure to meet the borough’s future needs**

- New Local Plan adopted, which allocates sites for housing, employment and associated infrastructure.
- Review of S106 processes undertaken to ensure infrastructure is delivered in accordance with strategic priorities.
- Work progressed on Joint DPD for TCBGC and Joint Committees held.

### **Strategic Priorities achievements and next steps**

- Local Plan adopted in July
- Produce Supplementary Planning Documents on Affordable Housing/Housing Standards and Specialist Housing as well as Climate Change and Sustainability and Active Travel SPD

- Submission of Joint DPD for TCBGC to provide a framework for the development of a new community.
- Work with the local community to review ecology evidence and secure a country park/nature reserve at Middlewick
- Undertake Infrastructure Audit

### **Growing a better economy so everyone benefits:**

- Enable Economic Recovery from Covid-19 ensuring all residents benefit from growth
- Work with partners to deliver a shared vision for a vibrant town
- Create an environment that attracts inward investment to Colchester and help businesses to flourish
- Strategic Priorities achievements and next steps

### **Enable Economic Recovery from Covid-19 ensuring all residents benefit from growth**

- Support and grants have been provided to businesses to support them through the pandemic. As well as providing direct grants, we have worked with partners in North Essex Economic Board to jointly fund business support using Government funding. This has included: Click it Local which provided a year-long pilot online shopping portal for independent local businesses, a suite of business advice services (Digital, Financial, Import/Export, Skills, A Net Zero Business Support Programme
- The support we have provided was recognised by the Local Government Chronicle with the Council shortlisted for a national award.
- We are working with partners on the North Essex Economic Board to provide specialist support to businesses including on cost reduction and decarbonising.

### **Work with partners to deliver a shared vision for a vibrant town**

- Our bid for City Status was successful and we are engaging partners to agree how to capitalise on this
- Work with Essex County Council and partners to develop a Masterplan for the Town Centre is well underway with strong engagement with partners and stakeholders.
- We are working with the Business Improvement District to support businesses through their Leisure Recovery Strategy and on projects such as to install new gateway signage to promote use of local town centre retail.
- Government has approved all of our Town Deal business cases and so projects are mobilising to deliver improved public spaces, easier transport, better digital connection, and new community facilities.

### **Create an environment that attracts inward investment to Colchester and help businesses to flourish**

- We have submitted a £20m bid to the Government's Levelling Up funding for the Town Centre.
- We have agreed an Investment Plan for our allocation of the Government's Shared Prosperity Fund and submitted it for approval.
- We are taking the new Economic Strategy through adoption and developing actions to deliver if priorities for supporting the Borough's economy and job creation, focus our Economic Development work, and respond to Strategies of partner agencies such as Essex County Council.
- We have an up-to-date Local Plan in place that allocates sufficient land and contains policies to encourage economic growth.
- We continue to approve of applications in line with policies to attract new businesses and allow existing firms to thrive.

### **Strategic Priorities achievements and next steps**

- Town Deal Business Cases approved and projects mobilising.
- Masterplan work underway– engagement with stakeholders underway.



- Economic Strategy Delivery Plan will be agreed to ensure the priorities in the Strategy are achieved.

### **Celebrating our heritage and culture:**

- Agree and implement a new Cultural Strategy that supports our cultural assets
- Strengthen Colchester's tourism sector and welcome more visitors each year
- Protect, enhance and celebrate Colchester's unique heritage
- Strategic Priorities achievements and next steps (Communities)

### **Agree and implement a new Cultural Strategy that supports our cultural assets**

- Delivering on the priority action in the Cultural Strategy 'Build on existing sectoral and cross sector partnership working and collaboration' by funding sector body Creative Colchester to set up a Charitable Incorporated Organisation (CIO) and providing organisational capacity to build on this via a grant from the Shared Prosperity Fund (TBC).
- The Shared Prosperity Fund will also support three projects to be delivered by Creative Colchester; business support for the cultural sector and creative industries in Colchester; a new monthly cultural offer in the City Centre bridging the gap between the day and night economies and a project working with local schools to encourage young residents to pursue careers in our local cultural industries.
- Funding has been allocated for Year 2 of the Cultural and Creative Events Fund as per the recommendation in the Cultural Strategy to provide micro grants to arts, cultural and heritage activity.

### **Strengthen Colchester's tourism sector and welcome more visitors each year**

- To help build back awareness of and confidence in Colchester with the group travel industry and mitigate costs and other issues which can deter groups from visiting; launch of coach and group tourism incentive scheme supported by targeted promotional campaign including free bookable town centre coach parking (previously pay and display and not reservable), refreshment/shopping vouchers for drivers/couriers, discounts to attractions.

### **Protect, enhance and celebrate Colchester's unique heritage**

- Visitor numbers in the first half of 2022/23 have largely returned to pre-pandemic levels with income higher than 2019/20. Hollytrees Museum numbers remain down although investment is planned over the next 12 months.
- The recovery of the Castle has been aided by the delivery of the exhibition, 'Wicked Spirits' that sustained visitor numbers despite weather during the summer that would typically inhibit museum visits.
- School visits have also returned to pre-pandemic levels. Schools were the slowest audience to return so the resurgence of their visits has been significant.
- With the completion of a feasibility study and extensive consultation, the team is now identifying and preparing to secure funding for the redevelopment of the Natural History Museum.

### **Strategic Priorities achievements and next steps**

- A Roman mosaic in Lion Walk, originally discovered in the 1980s was located by Colchester Archaeological Trust and a consultancy appointed to excavate and display it under glass and in situ – it is now anticipated to be completed in the summer of 2023 - later than planned due to the complexity of the project.

- In collaboration with the University of Durham, geophysical surveys have been conducted of 60 hectares of farmland to the west of Gosbecks Archaeological Park. The subsequent report provides much improved data for the area and will inform future university led research as well as future plans at the park itself.
- Following scheduled monument consent, the area around Duncan's Gate was cleared of vegetation by the Parks team, the Roman drain cleared of invasive plants and 3D scanned. This will protect the monument for years to come and provide a digital record.



**Extract from the draft minutes of the Policy Panel meeting of 30 November 2022**

**59. Have your say on the future of Colchester**

Mr Chilvers attended and addressed the Panel, pursuant to the provisions of Meetings General Procedure Rule 5(1) to highlight a number of concerns which he had wanted to raise at an earlier focus group meeting which had been cancelled. The Panel were asked whether the Council's leisure facilities had to be so concentrated at the Leisure World site, referencing fitness and sports options possible elsewhere in the area. Mr Chilvers then asked for a wider roll-out of wheelie bins, to areas which did not currently have them, citing changing demographics as an argument in favour of this. Regarding the night-time economy, Mr Chilvers recommended a review to gather information if the Council wished to encourage more city-centre residential properties. Problems within the city were given as including bad driving, traffic congestion, fear of crime and antisocial behaviour and the harm these problems did to the image of the city and to its businesses. Mr Chilvers advocated greater policing and enforcement to solve issues and encourage more people to live in the city centre. Moving on to GP services, Mr Chilvers posited that the Council needed to factor in the need for increases to GP provision for residents in the city centre, along with other professional services and street cleansing resources. Finally, Mr Chilvers cautioned that the use of online-only surveys might skew the data received unless the demography of the respondents was very similar to that of the city's residents in general.

A statement was read on behalf of Mrs Williams (who was unable to attend the meeting), pursuant to the provisions of Meetings General Procedure Rule 5(1). Mrs Williams raised concern about abandoned vehicles and asked if such vehicles could be removed more quickly, and broken up and recyclable parts recycled. Mrs Williams also urged the Council to collect household recycling materials in one single collection, rather than collecting different materials separately. Finally, Mrs Williams argued in favour of free parking options for shoppers, noting the cost of existing car parks in Colchester, compared to free parking in retail developments such as Lakeside.

Rosa Tanfield, Group Manager – Neighbourhood Services, informed the Panel that she would contact Mrs Williams to get details of the issues raised.

Rory Doyle, Strategic Director, described the period of consultation and focus group operation, including residents, people who worked in the area, firms and other local stakeholders. This meeting had been promoted for members of the public to address councillors directly and invitations were sent to members of the public who had wanted to attend other consultation groups but who had been unable to do so.

Tricia Smith and Libby Britcher, Research and Change Officers, explained the

consultation with those who lived or worked in Colchester, giving information on the demographics of those involved and showing which Council wards were under- or over-represented within the responses. More women than men had responded, with a number of respondents declining to give a gender and some identifying as non-binary. There was strong representation from the age groups 25-34 and 64+.

Positives and negatives were raised about living and working in Colchester, but most respondents agreed that they enjoyed living or working here. The main priorities which had been raised were ranked according to how many people raised them, with 'safe, healthy, active communities' ranked highest, being mentioned by 60.4% of respondents. Second was 'a fair economy, so all benefit' being mentioned by 39.5% of respondents. Third was the priority of addressing the climate challenge, at 37.3%.

25% of responses gave the city centre as a priority, dealing with transformation, addressing of perceived decline and some mentions of safety issues.

Priorities for Council spending saw 85% of responses wanting environmental work to be prioritised and 35.9% supporting spending on the related work on parks and open spaces. The lowest priority given for spending was for corporate functions, mentioned by only 0.9% of responses. A general consensus was that people wanted the Council to maintain its oversight of services, even where these were contracted to the private sector. Concern was raised that corners would be cut without the presence of strong Council oversight of work done.

The Research and Change Officers described the wide variety of interlocking issues which had been raised. These included city centre regeneration, filling of retail units, mending of pavements and making best use of cultural and heritage assets to increase tourism. It was noted that 13% of respondents felt negatively about receiving city status and comments were received on perceived negative effects on the city centre, caused by local retail parks. Youth service provision, perceived lack of infrastructure and transport/travel problems had been raised and, whilst the overall support for environmental action was high, a number of pro-car comments had also been received.

Themes had been identified and then used to direct the discussion groups, with the approach being described. A key theme raised was the importance of a joined-up approach to improvements within communities across all wards, with a long-term focus on what is wanted for the future. People underlined the wish for Colchester to keep its own identity but to seek inspiration from good ideas from elsewhere too. The potential city centre changes were covered, with a potential for its use to shift from retail to residential and experiences [e.g., entertainments, social use, culture and food and drink provision].

Youth empowerment was discussed, which included engagement with pupils in local schools to explore what young people could do and to empower, rather than discourage from engagement. It was important to choose the right communication channels and to clarify whether young people in the area wanted more empowerment.

The relationship between city centre and retail parks was covered, with positives of

both types of retail experience brought up by participants in discussion groups. Views were given that the city centre was more about experiences, whilst retail parks generally provided convenience. Issue, solutions and ideas were considered to improve use of the city centre and retail parks, with ways sought for retail parks to feed into and complement the city centre.

Regarding environment issues, this discussion group's participants all used the Council's garden waste service, but not many would pay for such a service. None of the participants had a wheelie bin, with opinions split roughly equally between those who did want one and those who did not. Keen interest was expressed in ways to expand recycling options.

The Panel discussed the methodology and evidence base for the consultation and information-gathering work. More information was requested about how the data was gathered and percentages of population/statistics given and how demographics of respondents related to the overall demographics of the Colchester populace. The Research and Change Officers explained that the population of the Borough (as was) at the last census had been around 192,000. Percentages of population (e.g., in regard to percentage of population who responded to the consultation) were calculated based on that figure.

A Panel member raised concern that the response rate was under 1%, with views being drawn from a small sample and a 'digital first' approach to engagement excluding some demographics from participation, where individuals often had limited access to the internet. The Research and Change Officers explained that officers had done what was possible within the budget set for the consultation. Non-digital options were possible if more money and officer time could be allocated to the project. Sampling based on demographics gave residents equal opportunities to take part, and options for residents to respond were outlined.

Councillor King, Leader of the Council, identified the online survey as a supplement to the wider consultation exercise with the public and councillors. It had not been possible to achieve a perfect sampling, but the sample had been a significant one. The Leader of the Council pledged to endeavour to make all councillors a part of the ongoing consultation work.

The Panel discussed the demographics of the respondents to the online survey, with concern at the problems caused by it being only online, but acknowledgment that the face-to-face consultation sessions mitigating these to an extent. A range of views were given by members, including on travel needs, wheelie bin provision, GP provision, parking options and use of heritage assets. Waste collection was discussed, with a view given that the different options should be considered, and that it should be shown to people why costly options were unaffordable. Improvements to infrastructure would require significant planning and a wider focus than purely on housing numbers. A member urged the Panel to give residents another chance to give their views at its next meeting.

Concern was expressed by some members at their view that the survey was focussed on the City's centre and ignored rural areas. It was posited that the surveying of Colchester needed greater breakdown into different areas, with a Panel

member urging greater use of data held by the Council to identify a range of people of which to ask questions. Local centres included the city centre, Stanway and Northern Gateway. A Panel member argued that a long term view should be being taken and that a wider consultation should be carried out, including rural residents and questions on issues affecting the different parts of the Council's area. The Research and Change Officers explained that consultation had been carried out with parish and town councils. The Strategic Director gave assurance that the consultation work had not been intended to be city-centric and that he would raise this concern with the Communications Team. A residents panel was to be set up for ongoing engagement and demographics would need to be monitored to improve the representativeness of those involved. A Panel member suggested dropping use of the phrase 'Just Colchester', in order to make this project more inclusive.

A Panel member noted that survey response rates were lower for Council wards which were further from the city centre. Concern was expressed about the lack of input from those under the age of 18 and that more needed to be done to gain responses from age demographics where response rates were low. Another member of the Panel agreed with the need for inclusivity, but stressed the financial pressures which placed limits on what could be done. There could be scope for youth representation from school councils, potentially engaging with resident panels.

A Panel member expressed the importance of protecting open spaces, dealing with parking, traffic and road issues, and the need to educate people in alternatives to car use. Community facilities were put forward as helping new residents to bed in to communities and engage with them.

Answering questions, the Research and Change Officers explained that more information could be given on the comments made regarding lack of infrastructure, but that these could not be used to give statistics or percentages. Having been asked how scoping and selection for the resident panel had been conducted, the Officers informed the Panel that they had engaged with existing groups, cognisant of the danger of producing an echo chamber. Work would be conducted to bring in representatives of those groups underrepresented. The aim was to target those most affected by issues in question and help would be needed to with outreach. Additional staffing resource would also be necessary. The Strategic Director emphasised that the officers who had conducted the surveying and consultation had designed the project within the parameters they had been set and suggested that the Panel seemed to wish to alter the parameters and widen and continue consultation. Panel members suggested use of community newsletters and other options.

Councillor Cox, Portfolio Holder for Culture and Heritage, agreed that the methodology employed was important that those planning the city status programme would take on the ideas raised. The next step was the year of celebration. Big events were planned, to draw tourists and focus on heritage across the area. Part of this would involve community-generated ideas, and the Portfolio Holder named a selection of these. Legacy planning continued to be worked upon.

Addressing wishes to increase youth engagement, the Portfolio Holder told the Panel of the setting up of the 'Democracy in Schools' programme which could be part of this engagement.



The Leader of the Council reiterated the promise that the Council would listen to all views, and recognised the hard work of the officers who had carried out the consultative work programme. This had covered master-planning for the city centre, working with the County Council. Cabinet would continue to take on views and recommendations and the whole consultation included surveying, consultation sessions, councillors, committees and local stakeholders and partners. Over 11,000 survey responses had been received.

The Chairman asked if further invitations to take part could be sent to those who had yet to respond. The Strategic Director cautioned that this would be dependent on whether there was sufficient officer time and resources.

*RECOMMENDED* to CABINET that Cabinet focus on the importance of obtaining views from young people [under 18], and residents who were digitally excluded.

*RESOLVED* that the Panel would review the final report on the consultation/survey at its next meeting, with an additional opportunity for public views to be given.





## Cabinet

Item  
**10(i)**

**25<sup>th</sup> January 2023**

<b>Report of</b>	<b>Corporate and Improvement</b>	<b>Adam Wood, Samantha Preston &amp; Paul Cook</b>
<b>Title</b>	<b>Local Council Tax Support Scheme 2023/24</b>	
<b>Wards affected</b>	All wards	

### 1.0 Executive Summary

- 1.1 Local Council Tax Support (LCTS) is one of the largest financial support mechanisms for Colchester residents on a low income. The “Cost of Living” crisis continues to impact all residents, but overwhelmingly those who are on a low-income. To ensure low-income residents receive the financial support they require, we propose the maximum entitlement (80%) for working age claimants is increased within the LCTS scheme in 2023/24.

### 2.0 Recommended Decision

- 2.1 The following elements are to be included within the Local Council Tax Support scheme 2023/24:
- Increase the maximum entitlement to 85% for working age claimants
  - Disregarding certain crisis payments paid to taxpayers (Local Welfare Provision)
  - Disregarding emergency increase in national welfare benefits
- 2.2 The Local Council Tax Support scheme 2023/24 be referred to Full Council for approval and adoption.

### 3.0 Reason for Recommended Decision

- 3.1 To provide more financial support to low-income households throughout the City.

### 4.0 Alternative Options

- 4.1 No changes are made to the scheme for 2023/24.

## 5.0 Background Information

### 5.1 What is Local Council Tax Support (LCTS)?

- LCTS is a means-tested Benefit that supports around 8,900 residents throughout Colchester. Around 5,500 of these residents are working age.
- LCTS for working age residents is a locally designed scheme which Colchester City Council (CCC) has full influence over. LCTS for pension age residents is set by Central Government using Prescribed Regulations – CCC has no influence over this scheme design.

### 5.2 Colchester City Council's Current Scheme

5.3 The scheme has remained the same since 2018. The key features of the working age scheme include:

- A maximum entitlement of 80% for low-income residents
- Capped at Band D equivalent
- A minimum entitlement of £2.00 per week
- Capital limit of £6,000
- A £12.00 flat-rate non-dependant deduction

### 5.4 How does Colchester compare to other Essex Authorities?

Authority	Maximum Entitlement (%) – 2022/23
Colchester	<b>80</b>
Epping Forest	<b>75</b>
Rochford	<b>72</b>
Chelmsford	<b>77</b>
Maldon	<b>80</b>
Uttlesford	<b>87.5</b>
Castle Point	<b>70</b>
Thurrock	<b>75</b>
Harlow	<b>76</b>
Basildon	<b>75</b>
Braintree	<b>76</b>

5.5 A 5% increase in our scheme for 2023/24 would solidify Colchester as one of the most generous LCTS schemes in Essex, closely behind Uttlesford, when assessing them on their maximum entitlements.

### 5.6 Financial Considerations

5.7 The current cost of the LCTS scheme is £8.76m (June 2022). The cost of the scheme is shared between the preceptors as follows:

- Essex County Council – 73.52%
- Essex Police – 11.43%
- Colchester City Council – 11%
- Essex Fire and Rescue – 4.05%

As such, the scheme currently costs CCC £960k.

In 2023/24, we estimate a 5% increase in the cost of the scheme, this is in-line with an estimated 5% increase in chargeable Council Tax. This will increase the overall cost of the scheme to £9.2m in 2023/24.

## **5.8 Caseload**

5.9 Between 2013 and 2020, LCTS caseload decreased year-on-year. Due to the pandemic, caseloads increased in 2021 but have now settled to pre-covid levels.

The current caseload is 8892 (June 2022) with 5500 of those cases being working age.

We anticipate caseloads to remain stable in 2023/24. The reason for this is due to the ongoing cost of living crisis.

In 2024/25, we estimate a decrease in caseload by 2%. This follows the trend of previous years (excluding 2021).

## **6.0 LCTS Expenditure vs. Chargeable Council Tax**

6.1 When analysing the chargeable amount of Council Tax against the cost of LCTS from 2014. It is clear the cost of LCTS is not increasing in-line with the rate of chargeable Council Tax.

In 2014/15, LCTS expenditure was 7.6% of the chargeable Council Tax. For 2023/24, we estimate this to be 5.7%.

## **7.0 Increasing the Maximum Entitlement**

7.1 As explained above the maximum entitlement for a working age resident is 80%. We recommend the maximum entitlement is increased to help further support low-income residents.

### **7.2 Why increase the maximum entitlement?**

- An increase in financial support for low-income residents to help combat the increases in cost of living
- By far the biggest lever in the scheme when it comes to varying entitlement for all working age claimants
- A straightforward change to the scheme which residents can understand
- Less likelihood of claimants falling into arrears with their Council Tax – may lead to improved recovery rates / less write-offs
- Less reliance on other sources of funding, in particular Discretionary / Exceptional Hardship Payments
- Simple implementation – no additional resource required

### **7.3 Other options – no changes to the scheme**

7.4 The scheme for 2023/24 could remain static which may give residents some certainty but will not help combat the increases in cost of living. No public consultation would be required.

## **8.0 Equality, Diversity and Human Rights implications**

- 8.1 An EIA has been completed in line with the policy/change being proposed to the Local Council Tax Support scheme for 2023/24.
- 8.2 A link to the completed EIA can be found here – <https://www.colchester.gov.uk/equality-and-diversity/equality-impact-assessments/local-council-tax-support-23-24/>

## **9.0 Standard References**

- 9.1 There are no particular references to the community safety; health and safety or risk management implications.

## **10.0 Strategic Plan References**

- 10.1 There are no references to the Strategic Plan, however, it is in line with cabinets new priorities regarding addressing the “cost of living” crisis.

## **11 Consultation**

- 11.1 CCC carried out a 6-week public consultation, asking for feedback and comments on the proposed changes to the scheme for 2023/24.

- 11.2 Key findings from the public consultation:

1. Do you agree with increasing the maximum level of support for working age applicants to 85%? (111 responses)
  - Yes – 62.16%
  - No – 25.23%
  - Don't know – 12.61%
2. Do you agree with the scheme disregarding certain crisis payments paid to taxpayers (Local Welfare Provision)? (98 responses)
  - Yes – 76.53%
  - No – 17.35%
  - Don't know – 6.12%
3. Do you agree with the scheme disregarding emergency increases in national welfare benefits? (95 responses)
  - Yes – 78.95%
  - No – 15.79%
  - Don't know – 5.26%

- 11.3 For the full results of the consultation, see appendix item A.

## **12.0 Publicity Considerations**

- 12.1 A communications plan would be key in publicising the proposed changes to the scheme for 2023/24. The CCC website and social media channels would be key methods of publicising the proposed changes to the LCTS scheme.

The use of phone-line messaging and direct mailings would also play a key role in promoting the new scheme.

## **13.0 Financial implications**

- 13.1 Increasing the maximum entitlement of LCTS will raise the cost of the scheme. Based on current preceptor shares, CCC will be liable for 11% of any increased costs.

Increasing the maximum entitlement in 5% increments increases the overall cost of the scheme by £350k. This means CCC's share of the cost would increase by an estimated £40k for per 5% increase in the maximum entitlement.

Any increase in LCTS is likely to be offset by an increase in Council Tax.

## **Appendices**

Item A – LCTS Public Consultation results

Item B – Draft LCTS Policy 2023/24







**Colchester Borough Council**  
**Council Tax Reduction Scheme Policy**  
S13A and Schedule 1a of the Local Government Finance Act 1992

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## **1.0 Introduction to the Council Tax Reduction Scheme**

1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period 1<sup>st</sup> April 2023 until 31<sup>st</sup> March 2024.

1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1<sup>st</sup> April 2023 for a period of one financial year.

1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
- Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
- The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2022;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2023; and
- Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The Council has **no** discretion in relation to the calculation of Council Tax Reduction in respect of the pension age scheme.

### **The scheme for pension age applicants – Central Government's scheme as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012**

1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;

- a. has attained the qualifying age for state pension credit; and
- b. is not, or, if he has a partner, his partner is not;
  - i. a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance; or
  - ii. a person with an award of universal credit

The three prescribed classes are as follows;

**Class A: pensioners whose income is less than the applicable amount.**

On any day Class A consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
- e. not have capital savings above £16,000; and
- f. who has made an application for a reduction under the authority's scheme.

**Class B: pensioners whose income is greater than the applicable amount.**

On any day class B consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- e. in respect of whom amount A exceeds amount B where:
  - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
  - (ii) amount B is  $2\frac{6}{7}$  per cent of the difference between his income for the relevant week and his applicable amount;
- g. not have capital savings above £16,000; and
- h. who has made an application for a reduction under the authority's scheme.

**Class C: alternative maximum Council Tax Reduction**

On any day class C consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- c. in respect of whom a maximum Council Tax Reduction amount can be calculated;
- d. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- e. who has made an application for a reduction under the authority's scheme; and
- f. in relation to whom the condition below is met.

The condition referred to in sub-paragraph f. is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- a. is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- b. is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);

- c. is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
  - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
  - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- d. is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- e. is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

#### **Disregard of certain incomes**

- 1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:
- a. a war disablement pension;
  - b. a war widow's pension or war widower's pension;
  - c. a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
  - d. a guaranteed income payment;
  - e. a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
  - f. a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
  - g. pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

**The provisions outlined above, enhance the Central Government's scheme.**

#### **THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME**

- 1.6 The adopted scheme for working age applicants is a means test, which compares income against an assessment of *applicable amounts* (unless otherwise stated). Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
- a. has not attained the qualifying age for state pension credit; or
  - b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.
- 1.7 The Council has resolved that there will be *two* classes of persons who will receive a reduction in line with adopted scheme. There will be *two* main classes prescribed for, for each of which there will be a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.



#### Class D

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit<sup>1</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction<sup>2</sup> amount can be calculated;
- g. not have capital savings above £6,000<sup>3</sup>;
- h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*<sup>4</sup> is **less** than their *applicable amount*<sup>5</sup> or the applicant or partner is in receipt of income support, jobseekers allowance (income based) or employment and support allowance (income related); and
- i. has made a valid application for reduction<sup>6</sup>.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

#### Class E

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit<sup>7</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award Universal Credit;
- d. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- e. is not deemed to be absent from the dwelling;
- f. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- g. be somebody in respect of whom a maximum Council Tax Reduction<sup>8</sup> amount can be calculated;
- h. not have capital savings above £6,000<sup>9</sup>;
- i. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*<sup>10</sup> is **more** than their *applicable amount*<sup>11</sup>;
- j. have made a valid application for reduction<sup>12</sup>;
- k. be a person in respect of whom amount A exceeds amount B where
  - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
  - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant

<sup>1</sup> Section 5 of this scheme

<sup>2</sup> Sections 57 to 63 of this scheme

<sup>3</sup> Sections 33 to 42 and Schedule 5 of this scheme

<sup>4</sup> Sections 15 to 32 and Schedules 3 and 4 of this scheme

<sup>5</sup> Sections 12 to 14 and Schedule 1 of this scheme

<sup>6</sup> Sections 68 to 74a of this scheme

<sup>7</sup> Section 5 of this scheme

<sup>8</sup> Sections 57 to 63 of this scheme

<sup>9</sup> Sections 33 to 42 and Schedule 5 of this scheme

<sup>10</sup> Sections 15 to 32 and Schedules 3 and 4 of this scheme

<sup>11</sup> Sections 12 to 14 and Schedule 1 of this scheme

<sup>12</sup> Sections 68 to 74a of this scheme

week and his applicable amount.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

## **Council Tax Reduction Scheme**

Details of support to be given for **working age applicants** for the financial year 2023/24

**Sections 2- 8**  
**Definitions and interpretation**

## **2.0 Interpretation – an explanation of the terms used within this policy**

### **2.1 In this policy–**

**‘the Act’** means the Social Security Contributions and Benefits Act 1992;

**‘the Administration Act’** means the Social Security Administration Act 1992;

**‘the 1973 Act’** means the Employment and Training Act 1973;

**‘the 1992 Act’** means the Local Government Finance Act 1992;

**‘the 2000 Act’** means the Electronic Communications Act 2000;

**‘Abbeyfield Home’** means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

**‘adoption leave’** means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

**‘an AFIP’** means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004;

**‘applicable amount’** means the amount determined in accordance with schedule 1 of this scheme

**‘applicant’** means a person who the authority designates as able to claim Council Tax Support – for the purposes of this policy all references are in the masculine gender but apply equally to male and female;

**‘application’** means an application for a reduction under this scheme:

**‘appropriate DWP office’** means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance;

**‘assessment period’** means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;

**‘attendance allowance’** means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

**‘the authority’** means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

**‘Back to Work scheme(s)’** means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

**‘basic rate’**, where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

**‘the benefit Acts’** means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;

**‘board and lodging accommodation’** means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

**‘care home’** has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 or a residential care home within the meaning of Article 10 of that Order;

**‘the Caxton Foundation’** means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

**‘child’** means a person under the age of 16;

**‘child benefit’** has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

**‘the Children Order’** means the Children (Northern Ireland) Order 1995;

**‘child tax credit’** means a child tax credit under section 8 of the Tax Credits Act 2002;

**‘the Children Order’** means the Children (Northern Ireland) Order 1995;

**‘claim’** means a claim for council tax support;

**‘close relative’** means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

**‘concessionary payment’** means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

**‘the Consequential Provisions Regulations’** means the Housing Benefit and Council tax support (Consequential Provisions) Regulations 2006;

**‘contributory employment and support allowance’** means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

**‘converted employment and support allowance’** means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

**‘council tax benefit’** means council tax benefit under Part 7 of the SSCBA;

**‘council tax reduction scheme’** has the same meaning as **‘council tax support or reduction’**

**‘council tax support (or reduction)’** means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

**‘couple’** means;

- a. a man and a woman who are married to each other and are members of the same household;
- b. a man and a woman who are not married to each other but are living together as husband and wife;
- c. two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,  
and for the purposes of sub-paragraph (d) Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

**‘date of claim’ / ‘date of application’** means the date on which the claim is made, or treated as made, for the purposes of this policy

**‘designated authority’** means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

**‘designated office’** means the office designated by the authority for the receipt of claims for council tax support;

- (a) by notice upon or with a form approved by it for the purpose of claiming council tax support; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- (c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

**‘disability living allowance’** means a disability living allowance under section 71 of the Act;

**‘dwelling’** has the same meaning in section 3 or 72 of the 1992 Act;

**‘earnings’** has the meaning prescribed in section 25 or, as the case may be, 27;

**‘the Eileen Trust’** means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

**‘electronic communication’** has the same meaning as in section 15(1) of the Electronic Communications Act 2000

**‘employed earner’** is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

**‘Employment and Support Allowance Regulations’** means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

**‘Employment and Support Allowance (Existing Awards) Regulations’** means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

**‘the Employment, Skills and Enterprise Scheme’** means a scheme under section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search);

**‘employment zone’** means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and an **‘employment zone programme’** means a programme established for such an area or areas designed to assist applicants for a jobseeker’s allowance to obtain sustainable employment;

**‘employment zone contractor’** means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;

**‘enactment’** includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

**‘extended payment (or reduction)’** means a payment of council tax support payable pursuant to section 60;

**‘extended payment (or reduction) period’** means the period for which an extended reduction is payable in accordance with section 60A or 61A of this policy;

**‘extended payment or extended reduction (qualifying contributory benefits)’** means a payment of council tax support payable pursuant to section 61;

**‘family’** has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

**‘the Fund’** means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

**‘a guaranteed income payment’** means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011; **‘he, him, his’** also refers to the feminine within this policy

**‘housing benefit’** means housing benefit under Part 7 of the Act; **‘the Housing Benefit Regulations’** means the Housing Benefit Regulations 2006;

**‘Immigration and Asylum Act’** means the Immigration and Asylum Act 1999;

**‘an income-based jobseeker’s allowance’** and **‘a joint-claim jobseeker’s allowance’** have the meanings given by section 1(4) of the Jobseekers Act 1995;

**‘income-related employment and support allowance’** means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

**‘Income Support Regulations’** means the Income Support (General) Regulations 1987(a);

**‘independent hospital’**–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and  
(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

**‘the Independent Living Fund (2006)’** means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

**‘invalid carriage or other vehicle’** means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

**‘Jobseekers Act’** means the Jobseekers Act 1995; **‘Jobseeker’s Allowance Regulations’** means the Jobseeker’s Allowance Regulations 1996 and Jobseeker’s Allowance Regulations 2013 as appropriate;

**‘limited capability for work’** has the meaning given in section 1(4) of the Welfare Reform Act;

**‘limited capability for work-related activity’** has the meaning given in section 2(5) of the Welfare Reform Act 2007;

**‘the London Bombing Relief Charitable Fund’** means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

**‘lone parent’** means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

**‘the Macfarlane (Special Payments) Trust’** means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

**‘the Macfarlane (Special Payments) (No.2) Trust’** means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

**‘the Macfarlane Trust’** means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

**‘main phase employment and support allowance’** means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

**‘the Mandatory Work Activity Scheme’** means a scheme within section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

**‘maternity leave’** means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

**‘member of a couple’** means a member of a married or unmarried couple;

**‘MFET Limited’** means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

**‘mobility supplement’** means a supplement to which paragraph 9 of Schedule 4 refers;

**‘mover’** means a applicant who changes the dwelling in which the applicant is resident and in respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a dwelling in the area of the second authority;

**‘net earnings’** means such earnings as are calculated in accordance with section 26;

**‘net profit’** means such profit as is calculated in accordance with section 28;

**‘the New Deal options’** means the employment programmes specified in regulation 75(1)(a)(ii)



of the Jobseeker's Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

**'new dwelling'** means, for the purposes of the definition of 'second authority' and sections 60C, and 61C the dwelling to which a applicant has moved, or is about to move, in which the applicant is or will be resident;

**'non-dependant'** has the meaning prescribed in section 3;

**'non-dependant deduction'** means a deduction that is to be made under section 58;

**'occasional assistance'** means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of:

(a) meeting, or helping to meet an immediate short-term need;

(i) arising out of an exceptional event or exceptional circumstances, or

(ii) that needs to be met to avoid a risk to the well-being of an individual, and

(b) enabling qualifying individuals to establish or maintain a settled home, and—

(i) 'local authority' has the meaning given by section 270(1) of the Local Government Act 1972 ;and

(ii) 'qualifying individuals' means individuals who have been, or without the assistance might otherwise be:

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and 'local authority'

means a local authority in England within the meaning of the Local Government Act 1972;

**'occupational pension'** means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

**'occupational pension scheme'** has the same meaning as in section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;

**'ordinary clothing or footwear'** means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

**'partner'** in relation to a person, means

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

**'paternity leave'** means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

**'payment'** includes part of a payment;

**'pensionable age'** has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

**'pension fund holder'** means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

**'pensioner'** a person who has attained the age at which pension credit can be claimed;

**'person affected'** shall be construed as a person to whom the authority decides is affected by any decision made by the council;

**'person on income support'** means a person in receipt of income support;

**'personal independence payment'** has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013; **'person treated as not being in Great Britain'** has the meaning given by section 7;

**'personal pension scheme'** means—

a. a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;

b. an annuity contractor trust scheme approved under section 20 or 21 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of

- paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004;
- c. a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;
- ‘policy of life insurance’** means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;
- ‘polygamous marriage’** means a marriage to which section 133(1) of the Act refers namely;
- (a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
- (b) either party to the marriage has for the time being any spouse additional to the other party.
- ‘public authority’** includes any person certain of whose functions are functions of a public nature;
- ‘qualifying course’** means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker’s Allowance Regulations 1996
- ‘qualifying age for state pension credit’** means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)–
- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;
- ‘qualifying contributory benefit’** means;
- (a) severe disablement allowance;
- (b) incapacity benefit;
- (c) contributory employment and support allowance;
- ‘qualifying income-related benefit’** means
- (a) income support;
- (b) income-based jobseeker’s allowance;
- (c) income-related employment and support allowance;
- ‘qualifying person’** means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- ‘reduction week’** means a period of seven consecutive days beginning with a Monday and ending with a Sunday;
- ‘relative’** means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;
- ‘relevant authority’** means an authority administering council tax support;
- ‘relevant week’** In relation to any particular day, means the week within which the day in question falls;
- ‘remunerative work’** has the meaning prescribed in section 6;
- ‘rent’** means ‘eligible rent’ to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;
- ‘resident’** has the meaning it has in Part 1 or 2 of the 1992 Act;
- ‘Scottish basic rate’** means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;
- ‘Scottish taxpayer’** has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998
- ‘second authority’** means the authority to which a mover is liable to make payments for the new dwelling;
- ‘self-employed earner’** is to be construed in accordance with section 2(1)(b) of the Act;
- ‘self-employment route’** means assistance in pursuing self-employed earner’s employment whilst participating in–
- a. an employment zone programme;
- b. a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.); or
- c. the Employment, Skills and Enterprise Scheme;

- d. a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- e. Back to Work scheme.

**'Service User'** references in this scheme to an applicant participating as a service user are to

- a. a person who is being consulted by or on behalf of—
  - (i) the Secretary of State in relation to any of the Secretary of State's functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or
  - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or
- b. the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph;

**'single applicant'** means an applicant who neither has a partner nor is a lone parent;

**'the Skipton Fund'** means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions.

**'special account'** means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker's Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

**'sports award'** means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

**'the SSCBA'** means the Social Security Contributions and Benefits Act 1992

**'State Pension Credit Act'** means the State Pension Credit Act 2002;

**'student'** has the meaning prescribed in section 43;

**'subsistence allowance'** means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

**'support or reduction week'** means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

**'the Tax Credits Act'** means the Tax Credits Act 2002;

**'tax year'** means a period beginning with 6th April in one year and ending with 5th April in the next;

**'training allowance'** means an allowance (whether by way of periodical grants or otherwise) payable—

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People's Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

**'the Trusts'** means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

**'Universal Credit'** means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

**'Up-rating Act'** means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014 and the Welfare Benefits Up-rating Order 2015;

**‘voluntary organisation’** means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

**‘war disablement pension’** means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

**‘war pension’** means a war disablement pension, a war widow’s pension or a war widower’s pension;

**‘war widow’s pension’** means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

**‘war widower’s pension’** means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

**‘water charges’** means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

**‘week’** means a period of seven days beginning with a Monday;

**‘Welfare Reform Act’** means the Welfare Reform Act 2007;

**‘Working Tax Credit Regulations’** means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended<sup>13</sup>; and

**‘young person’** has the meaning prescribed in section 9(1) and in section 142 of the SSCBA.

2.2 In this policy, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.

2.3 In this policy, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.

2.4 For the purpose of this policy, a person is on an income-based jobseeker’s allowance on any day in respect of which an income-based jobseeker’s allowance is payable to him and on any day;

(a) in respect of which he satisfies the conditions for entitlement to an income- based jobseeker’s allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker’s Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker’s allowance is not payable); or

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income- based jobseeker’s allowance is payable to him or would be payable to him but for regulation 27A of the Jobseeker’s Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;

(c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker’s allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;

(d) in respect of which an income-based jobseeker’s allowance or a joint-claim jobseeker’s allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

2.4A For the purposes of this policy, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support

<sup>13</sup> The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

allowance is payable to him and on any day;

- (a) in respect of which he satisfies the conditions for entitlement to an income- related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
- (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income- related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

2.5 For the purposes of this policy, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

2.6 In this policy, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

### **3.0 Definition of non-dependant**

3.1 In this policy, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.

3.2 This paragraph applies to;

- a. any member of the applicant's family;
- b. if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
- c. a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);
- d. subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);
- e. subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
- f. a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

3.3 Excepting persons to whom paragraph 3.2 a) to c) and f) refer, a person to whom any of the following sub-paragraphs applies shall be a non-dependant–

- a. a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;
  - i. that person is a close relative of his or her partner; or
  - ii. the tenancy or other agreement between them is other than on a commercial basis;
- b. a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of the council tax support scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;
- c. a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the support scheme.

#### **4.0 Requirement to provide a National Insurance Number<sup>14</sup>**

4.1 No person shall be entitled to support unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming support.

4.2 This subsection is satisfied in relation to a person if–

- a. the claim for support is accompanied by;
  - i. a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or
  - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
- b. the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply–

- a. in the case of a child or young person in respect of whom council tax support is claimed;
- b. to a person who;
  - i. is a person in respect of whom a claim for council tax support is made;
  - ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act;
  - iii. is a person from abroad for the purposes of this scheme; and
  - iv. has not previously been allocated a national insurance number.

#### **5.0 Persons who have attained the qualifying age for state pension credit**

5.1 This scheme applies to a person if:

- (i) he has not attained the qualifying age for state pension credit; or
- (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
  - (a) a person on income support, on income-based jobseeker’s allowance or an income-related employment and support allowance; or
  - (b) a person with an award of universal credit.

#### **6.0 Remunerative work**

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;

- a. if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
- b. in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person’s weekly average hours of work to be determined more accurately,

6.3 Where, for the purposes of paragraph 6.2 a), a person’s recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods

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<sup>14</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.

- 6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.
- 6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.
- 6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.
- 6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill (except for the purposes of satisfying the condition for child care disregard).
- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- a. a sports award has been made, or is to be made, to him; and
  - b. no other payment is made or is expected to be made to him.

## **7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control**

### **Persons treated as not being in Great Britain**

- 7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- 7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- 7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—
- (a) regulation 13 of the EEA Regulations;
  - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
    - (i) a jobseeker for the purpose of the definition of "qualified person" in regulation 6(1) of those Regulations, or
    - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
  - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (5) of that regulation of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).

- 7.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
- (a) (Removed by the Council Tax Reductions Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021
  - (b) Appendix EU to the immigration rules made under section 3(2) of that Act;
  - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or
  - (d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.
- 7.4B Paragraph (4A)(b) does not apply to a person who—
- (a) has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and
  - (b) would have a right to reside under the EEA Regulations if the relevant person of Northern Ireland were an EEA national, provided that the right to reside does not fall within paragraph (4)(a) or (b)
- 7.5 A person falls within this paragraph if the person is—
- (za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971<sup>(8)</sup>, where such leave is granted by virtue of—
    - (i) the Afghan Relocations and Assistance Policy; or
    - (ii) the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);
  - (zb) a person in Great Britain not coming within sub-paragraph (za) or (e)(iv) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021
  - (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
  - (b) a family member of a person referred to in sub-paragraph (a);
  - (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
  - (ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;
  - (cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;
  - (cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971
  - (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
  - (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971<sup>15</sup> where that leave is—
    - (i) discretionary leave to enter or remain in the United Kingdom,

<sup>15</sup> As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014



	<ul style="list-style-type: none"> <li>(ii) leave to remain under the Destitution Domestic Violence concession which came into effect on 1st April 2012;</li> <li>(iii) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005; or</li> <li>(iv) granted under the Afghan Citizens Resettlement Scheme.</li> </ul>
	<ul style="list-style-type: none"> <li>(f) a person who has humanitarian protection granted under those rules;</li> <li>(g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;</li> <li>(h) in receipt of income support or on an income-related employment and support allowance; or</li> <li>(ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4).</li> </ul>
7.6	A person falls within this paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.
7.7	A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.
7.8	<p>In this regulation—</p> <p>"claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;</p> <p>"Crown servant" means a person holding an office or employment under the Crown;</p> <p>"EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and the Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014 and references to the EEA Regulations are to be read with Schedule 4 to the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 (Consequential, Saving, Transitional and Transitory Provisions) Regulations 2020</p> <p>"EEA national" has the meaning given in regulation 2(1) of the EEA Regulations;</p> <p>"family member" has the meaning given in regulation 7(1)(a), (b) or (c) of the EEA Regulations, except that regulation 7(4) of the EEA Regulations does not apply for the purposes of paragraphs (4B) and (5)(ca);</p> <p>"relevant person of Northern Ireland" has the meaning given in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971; and</p> <p>"Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006.</p>
<b>Persons subject to immigration control</b>	
7.9	Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
7.10	A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9
7.11	"Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

## **7A.0 Transitional provision**

7A.1 The above does not apply to a person who, on 31st March 2015—

- (a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and
- (b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 7A.2 occurs.

7A.2 The events are—

- (a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or
- (b) the person ceases to be entitled to an income-based jobseeker's allowance.

7A.3 In this section "the Act" means the Local Government Finance Act 1992.

## **8.0 Temporary Absence (period of absence)**

8.1 Where a person is absent from the dwelling throughout any day then no support shall be payable

8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.

8.3 In paragraph 8.2, a 'period of temporary absence' means—

- a. a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as;
  - i. the person resides in that accommodation;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

- b. a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
  - i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period is unlikely to exceed 13 weeks; and
- c. a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
  - i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let;
  - iii. the person is a person to whom paragraph 8.4 applies; and
  - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

8.3A A person who is temporarily absent from a dwelling he occupies as his home and is absent outside Great Britain shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain, provided that—

- (a) the person intends to return to occupy the dwelling as his home;
- (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and

(c) the period of absence is unlikely to exceed 4 weeks.

8.3B A person who is temporarily absent from a dwelling he occupies as his home and is absent outside of Great Britain as a member of the armed forces away on operations, a mariner or a continental shelf worker shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 26 weeks beginning with the first day of that absence from Great Britain, provided that—

- (a) the person intends to return to occupy the dwelling as his home;
- (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
- (c) the period of absence is unlikely to exceed 26 weeks.

8.3C This paragraph applies where—

- (a) a person is temporarily absent from Great Britain;
- (b) the temporary absence from Great Britain is in connection with the death of the—
  - (i) person's partner or a child or young person for whom he or his partner is responsible;
  - (ii) person's close relative;
  - (iii) close relative of the person's partner; or
  - (iv) close relative of a child or young person for whom the person or their partner is responsible;
- (c) the person intends to return to occupy the dwelling as his home; and
- (d) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let.

8.3D person to whom paragraph (8.3C) applies shall be treated as occupying a dwelling he is absent from as his home whilst he is temporarily absent for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain.

8.3E The period of absence in paragraph (8.3D) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks

8.4 This paragraph applies to a person who is;

- a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
  - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
  - ii. in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
- b. resident in a hospital or similar institution as a patient;
- c. undergoing, or his partner or his dependent child is undergoing, in Great Britain or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- d. following, in Great Britain or elsewhere, a training course;
- e. undertaking medically approved care of a person residing in Great Britain or elsewhere;
- f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
- g. in Great Britain, receiving medically approved care provided in accommodation other than residential accommodation;
- h. a student;
- i. receiving care provided in residential accommodation other than a person to whom

- j. paragraph 8.3a) applies; or
- j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is:

- a. detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
- b. on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989

8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release—

- a. if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
- b. for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
- c. if he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident

8.7 In this section;

- ‘medically approved’ means certified by a medical practitioner;
- ‘continental shelf worker’ means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of the Petroleum Act 1998
- ‘designated area’ means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where:

- a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
- b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage
- ‘patient’ means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; ‘residential accommodation’ means accommodation which is provided;
  - a. in a care home;
  - b. in an independent hospital;
  - c. in an Abbeyfield Home; or
  - d. in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
- prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998

- ‘training course’ means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

**Sections 9 - 11**

**The family for Council Tax Support purposes**

## **9.0 Membership of a family**

9.1 Within the support scheme adopted by the Council 'family' means;

- a. a married or unmarried couple;
- b. married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
- c. two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
- d. two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
- e. and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
- f. except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'

A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;

- a. on income support ;
- b. an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
- c. a person to whom section 6 of the Children (Leaving Care) Act 2000 applies

9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable

## **10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.**

10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him and this includes a child or young person to whom paragraph 9.3 applies

10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;

- a. the person who is receiving child benefit in respect of him; or
- b. if there is no such person;
  - i. where only one claim for child benefit has been made in respect of him, the person who made that claim; or
  - ii. in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

**11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household**

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is—

- a. placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- b. placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- c. placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he—

- a. is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- b. has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- c. has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household in any reduction week where;

- a. that child or young person lives with the applicant for part or all of that reduction week; and
- b. the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012 as amended.



**Sections 12 – 14 & Schedule 1**

**Applicable Amounts for Council Tax Support purposes**

## **12.0 Applicable amounts**

12.1 Subject to sections 13 and 14, an applicant's weekly applicable amount shall be aggregate of such of the following amounts as may apply in his case:

- a. an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
- b. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
- c. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium).
  - i) Sub paragraph (c) shall not apply to a person who, on 31<sup>st</sup> March 2017, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person; or
    - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (ii) (i) above does not apply if—
    - (a) sub-paragraph 12.1 c (i) (a) or (b) of that paragraph ceases to apply; or
    - (b) the person makes a new claim for Council Tax Reduction.
  - (iii) For the purpose of this section "child", "polygamous marriage" and "young person" have the same meaning as in section 2 of this scheme;
- d. the amount of any premiums which may be applicable to him, determined in accordance with paragraphs 4 to 16 of Schedule 1 of this document (premiums).
- e. the amount of either the
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 of this document (the components)
- f. the amount of any transitional addition which may be applicable to him in accordance with paragraph 19 to 20 of Schedule 1 of this scheme (transitional addition).

## **13.0 Polygamous marriages**

13.1 Subject to section 14, where an applicant is a member of a polygamous marriage, his weekly applicable amount shall be the aggregate of such of the following amounts as may apply in his case:

- a. the amount applicable to him and one of his partners determined in accordance with paragraph 1 of Schedule 1 of this scheme as if he and that partner were a couple;
- b. an amount equal to the amount within paragraph 1 (3) (c) of Schedule 1 of this scheme in respect of each of his other partners;
- c. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme (applicable amounts) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;
- d. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium)
  - i) Sub paragraph (d) shall not apply to a person who, on 31<sup>st</sup> March 2017, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person; or
    - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (i) above does not apply if—
    - (a) sub-paragraph 13.1 d (i) (a) or (b) of that paragraph ceases to apply; or

(b) the person makes a new claim for Council Tax Reduction.

(ii) For the purpose of this section “child”, “polygamous marriage” and “young person” have the same meaning as in section 2 of this scheme;

- e. the amount of any premiums which may be applicable to him determined in accordance with paragraphs 4 to 16 of Schedule 1 of this scheme (premiums).
- f. the amount of either the;
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 (the components).
- g. the amount of any transitional addition which may be applicable to him in accordance with paragraphs 19 and 20 of Schedule 1 of this scheme (transitional addition)

**14.0 Applicable amount: persons who are not pensioners who have an award of universal credit**

**14.1** In determining the applicable amount for a week of an applicant—

- a. who has, or
- b. who (jointly with his partner) has,

an award of universal credit, the authority may use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (2)

**Sections 15 – 32 & Schedules 3 & 4**

**Definition and the treatment of income for Council Tax Support purposes**

**15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage**

- 15.1 The income and capital of:
- (a) an applicant; and
  - (b) any partner of that applicant,

is to be calculated in accordance with the following provisions.

- 15.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

- 15.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
  - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

**15A.0 Calculation of income and capital: persons who have an award of universal credit**

- 15A.1 In determining the income of an applicant
- a. who has, or
  - b. who (jointly with his partner) has,
- an award of universal credit the authority may if it feels appropriate, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

- 15A.2 The authority may adjust the amount referred to in sub-paragraph (1) to take account of
- (a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);
  - (b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
  - (c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
  - (d) section 16 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
  - (e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).

- 15A.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.

- 15A.4 sections 16 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)

- 15A.5 In determining the capital of an applicant;
- (a) who has, or
  - (b) who (jointly with his partner) has,
- an award of universal credit, the authority may use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award

**16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's**

16.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the council tax support scheme and the non-dependant has more capital and income than the applicant, that authority shall, except where the applicant is on income support, an income- based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.`

16.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 16.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the ' applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

**17.0 Calculation of income on a weekly basis**

17.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis;

- a. by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of Part 6 of the Housing Benefit Regulations 2006;
- b. by adding to that amount the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
- c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 17.2 are met, from those earnings plus whichever credit specified in sub- paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.

17.2 The conditions of this paragraph are that;

- a. the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
- b. that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.

17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;

- a. where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
- b. where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.

The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which an applicant is treated as possessing under section 32 (notional income).

**18.0 Treatment of child care charges**

18.1 This section applies where an applicant is incurring relevant child-care charges and;

- a. is a lone parent and is engaged in remunerative work;
- b. is a member of a couple both of whom are engaged in remunerative work; or
- c. is a member of a couple where one member is engaged in remunerative work and the other;

- i. is incapacitated;
- ii. is an in-patient in hospital; or
- iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—

- a. is paid statutory sick pay;
- b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
- c. is paid an employment and support allowance;
- d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
- e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

18.3 This paragraph applies to a person who was engaged in remunerative work immediately before

- a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
- b. the first day of the period in respect of which earnings are credited, as the case may be.

18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.

18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.

18.6 The charges are paid by the applicant for care, which is provided

- a. in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
- b. in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.

18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—

- a. in respect of the child's compulsory education;
- b. by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
- c. in respect of care provided by a relative of the child wholly or mainly in the child's home.

18.8 The care to which paragraph 18.7 refers may be provided;

- a. out of school hours, by a school on school premises or by a local authority;
  - i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
  - ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
- b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
- c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010;

- or
- d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
- e. by;
  - i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010;
  - or
  - ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
- f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
- g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
- h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
- i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
- j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
- k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
- l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
- m. by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where

- a. the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work- related activity component on account of his having limited capability for work
- b. the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- c. the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or Employment and Support Regulations 2013;
- d. the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for



- work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- e. the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 20018 or Employment and Support Regulations 2013 for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
  - f. there is payable in respect of him one or more of the following pensions or allowances—
    - i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
    - ii. attendance allowance under section 64 of the Act;
    - iii. severe disablement allowance under section 68 of the Act;
    - iv. disability living allowance under section 71 of the Act;
    - v. personal independence payment under the Welfare Reform Act 2012;
    - vi. an AFIP;
    - vii. increase of disablement pension under section 104 of the Act;
    - viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (vii) above;
    - ix. main phase employment and support allowance;
  - g. a pension or allowance to which head (ii), (iv), (vi) or (viii) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
  - h. an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
  - i. paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
  - j. he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

18.12 For the purposes of paragraph 18.11 once paragraph 18.11d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

18.12A For the purposes of paragraph 18.11, once paragraph 18.11e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person—

- a. in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;

- b. who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
- c. who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

18.14 For the purposes of paragraph 18.1 a person on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—

- a. in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;
- b. the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
- c. she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act, statutory adoption pay by virtue of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—

- a. the date that leave ends;
- b. if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- c. if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

18.16 In paragraphs 18.14 and 18.15

- a. 'qualifying support' means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987; and
- b. 'child care element' of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.

18.17 In this section 'applicant' does not include an applicant;

- (a) who has, or
  - (b) who (jointly with his partner) has,
- an award of universal credit

## **19.0 Average weekly earnings of employed earners**

19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment—

- a. over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
  - i. 5 weeks, if he is paid weekly; or
  - ii. 2 months, if he is paid monthly; or
- b. whether or not sub-paragraph 19.1a i) or ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

- 19.2 Where the applicant has been in his employment for less than the period specified in paragraph 19.1 a)(i) or (ii)
- a. if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;
  - b. in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.
- 19.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.
- 19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26
- 20.0 Average weekly earnings of self-employed earners**
- 20.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.
- 20.2 For the purposes of this section the applicant's earnings shall be calculated in accordance with section 27 to 29 of this scheme
- 21.0 Average weekly income other than earnings**
- 21.1 An applicant's income which does not consist of earnings shall, except where paragraph 18.2 applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks; and nothing in this paragraph shall authorise an authority to disregard any such income other than that specified in Schedule 4 of this scheme
- 21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that support is payable.
- 21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this scheme
- 22.0 Calculation of average weekly income from tax credits**
- 22.1 This section applies where an applicant receives a tax credit.
- 22.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 22.3
- 22.3 Where the instalment in respect of which payment of a tax credit is made is;
- a. a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
  - b. a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
  - c. a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;

- d. a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

22.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

### **23.0 Calculation of weekly income**

23.1 For the purposes of sections 19 (average weekly earnings of employed earners), 21 (average weekly income other than earnings) and 22 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made;

- a. does not exceed a week, the weekly amount shall be the amount of that payment;
- b. exceeds a week, the weekly amount shall be determined—
  - i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
  - ii. in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.

23.2 For the purpose of section 20 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

### **24.0 Disregard of changes in tax, contributions etc.**

24.1 In calculating the applicant's income the appropriate authority may disregard any legislative change

- a. in the basic or other rates of income tax;
- b. in the amount of any personal tax relief;
- c. in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section 11(4) of the Act (small profits threshold in relation to Class 2 contributions);
- d. in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act;
- e. in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

### **25.0 Earnings of employed earners**

25.1 Subject to paragraph 25.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—

- a. any bonus or commission;
- b. any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- c. any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- d. any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- e. any payment by way of a retainer;
- f. any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—(i) travelling expenses incurred by the applicant between his home and his place of

	<p>employment;</p> <p>(ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;</p> <p>g. any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);</p> <p>h. any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);</p> <p>i. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);</p> <p>j. any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;</p> <p>k. any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;</p> <p>l. the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended<sup>16</sup>.</p>
25.2	<p>Earnings shall not include—</p> <p>a. subject to paragraph 25.3, any payment in kind;</p> <p>b. any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;</p> <p>c. any occupational pension</p> <p>d. any payment in respect of expenses arising out of an applicant participating as a service user.</p>
25.3	<p>Paragraph 25.2 a) shall not apply in respect of any non-cash voucher referred to in paragraph 25.1 m)</p>
<b>26.0</b>	<p><b>Calculation of net earnings of employed earners</b></p>
26.1	<p>For the purposes of section 19 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 26.2, be his net earnings.</p>
26.2	<p>There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 14 of Schedule 3.</p>
26.3	<p>For the purposes of paragraph 26.1 net earnings shall, except where paragraph 26.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;</p> <p>a. any amount deducted from those earnings by way of</p> <p>i) income tax;</p> <p>ii) primary Class 1 contributions under the Act;</p> <p>b. one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;</p> <p>c. one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and</p> <p>d. where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment</p>
<p><sup>16</sup> Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013</p>	
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having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.

26.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.

26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined—

- a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
- b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- c. one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

## **27.0 Earnings of self-employed earners**

27.1 Subject to paragraph 27.2, 'earnings', in the case of employment as a self-employed earner, means the gross income of the employment plus any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

27.2 'Earnings' shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.

27.3 This paragraph applies to—

- a. royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
- b. any payment in respect of any—
  - (i) book registered under the Public Lending Right Scheme 1982; or
  - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by the amount of council tax support which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

#### **28.0 Calculation of net profit of self-employed earners**

28.1 For the purposes of section 20 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be

- a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
  - i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
  - ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.

28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less

- a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- b. an amount in respect of;
  - (i) income tax, and
  - (ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.8, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in respect of—

- a. any capital expenditure;
- b. the depreciation of any capital asset;
- c. any sum employed or intended to be employed in the setting up or expansion of the employment;
- d. any loss incurred before the beginning of the assessment period;
- e. the repayment of capital on any loan taken out for the purposes of the employment;
- f. any expenses incurred in providing business entertainment, and
- g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.

- 28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for–
- a. the replacement in the course of business of equipment or machinery; and
  - b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a) or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 28.8 For the avoidance of doubt–
- a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
  - b. a deduction shall be made thereunder in respect of–
    - i. the excess of any value added tax paid over value added tax received in the assessment period;
    - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
    - iii. any payment of interest on a loan taken out for the purposes of the employment
- 28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- a. income tax; and
  - b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
  - c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution
- 28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.
- 28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined
- a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
  - b. in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- 28.12 In this section, ‘qualifying premium’ means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.
- 29.0 Deduction of tax and contributions of self-employed earners**
- 29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied



and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of—

- a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section 'chargeable income' means—

- a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (28.3)(a) or, as the case may be, (28.4) of section 28;
- b. in the case of employment as a child minder, one-third of the earnings of that employment.

### **30.0 Calculation of income other than earnings**

30.1 For the purposes of section 21 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs 30.2 to 30.4, be his gross income and any capital treated as income under section 31 (capital treated as income).

30.2 There is to be disregarded from the calculation of an applicant's gross income under paragraph 30.1, any sum, where applicable, specified in Schedule 4.

30.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under paragraph 30.1 shall be the gross amount payable.

30.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 30.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

30.6 In paragraph 30.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.

30.7 Paragraph 30.8 and 30.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

- 30.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph 30.7 applies, shall be calculated by applying the formula—  

$$\frac{A - (B \times C)}{D}$$
Where  
A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 51.5  
B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;  
C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 51.2 had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax support immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;  
D = the number of reduction weeks in the assessment period.
- 30.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 30.8 but as if—  
A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 51.5
- 30.10 In this section— ‘academic year’ and ‘student loan’ shall have the same meanings as for the purposes of sections 43 to 45, ‘assessment period’ means—
- in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
  - in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes—
    - the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
    - the last day of the last quarter for which an instalment of the relevant payment was payable to that person.
- whichever of these dates is earlier  
‘quarter’ in relation to an assessment period means a period in that year beginning on;
- 1st January and ending on 31st March;
  - 1st April and ending on 30th June;
  - 1st July and ending on 31st August; or
  - 1st September and ending on 31st December;
- ‘relevant payment’ means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 46.7 or both.
- 30.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 30.1
- any payment to which paragraph 25.2 (payments not earnings) applies; or
  - in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of

essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

**31.0 Capital treated as income**

31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £16,000, be treated as income.

31.2 Any payment received under an annuity shall be treated as income.

31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.

31.4 Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 Act shall be treated as income.

31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

**32.0 Notional income**

32.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of support or increasing the amount of that support.

32.2 Except in the case of—

- a. a discretionary trust;
- b. a trust derived from a payment made in consequence of a personal injury;
- c. a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- d. any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
- e. any sum to which paragraph 48(a) of Schedule 5 refers;
- f. rehabilitation allowance made under section 2 of the 1973 Act;
- g. child tax credit; or
- h. working tax credit,
- i. any sum to which paragraph 32.13 applies;

any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

32.3 – 32.5 Not used

32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made—

- a. to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- b. to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred

to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

- c. to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.7 Paragraph 32.6 shall not apply in respect of a payment of income made—

- a. under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- b. pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- c. pursuant to section 2 of the 1973 Act in respect of a person's participation—
  - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
  - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
  - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
  - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
  - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- d. in respect of a person's participation in the Work for Your Benefit Pilot Scheme
- e. in respect of a previous participation in the Mandatory Work Activity Scheme;
- f. in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- g. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
  - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
  - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
  - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.8 Where an applicant is in receipt of any benefit (other than council tax support) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

32.9 Subject to paragraph 32.10, where—

- a. applicant performs a service for another person; and
- b. that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

32.10 Paragraph 32.9 shall not apply—

- a. to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to

- provide those services free of charge; or
- b. in a case where the service is performed in connection with—
  - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
  - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or
- c. to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

32.10A In paragraph 32.10 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

32.11 Where an applicant is treated as possessing any income under any of paragraph 32.1 to (32.8), the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

32.12 Where an applicant is treated as possessing any earnings under paragraph 32.9 the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;
- b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- c. one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

32.13 Paragraphs (32.1), (32.2), (32.6) and (32.9) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation as a service user.

**Sections 33 – 42 & Schedule 5**

**Definition and the treatment of capital for Council Tax Support purposes**

**33.0 Capital limit**

- 33.1 For the purposes of this scheme, the prescribed amount is £6,000 and no support shall be granted when the applicant has an amount greater than this level

**34.0 Calculation of capital**

- 34.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 36 (income treated as capital).
- 34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

**35.0 Disregard of capital of child and young person**

- 35.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

**36.0 Income treated as capital**

- 36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.
- 36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.
- 36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.
- 36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- 36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.
- 36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006), London Bombings Charitable Relief Fund, or the Windrush Compensation Scheme shall be treated as capital.
- 36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- 36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.
- 36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.
- 37.0 Calculation of capital in the United Kingdom**
- 37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less—
- a. where there would be expenses attributable to the sale, 10 per cent.; and

- b. the amount of any encumbrance secured on it;

### **38.0 Calculation of capital outside the United Kingdom**

38.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated

- a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
  - b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,
- less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

### **39.0 Notional capital**

39.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax support or increasing the amount of that support except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

39.2 Except in the case of

- (a) a discretionary trust; or
- (b) a trust derived from a payment made in consequence of a personal injury; or
- (c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or
- (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
- (e) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or
- (f) any sum to which paragraph 48(a) of Schedule 5 refers; or
- (g) child tax credit; or
- (h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

39.3 Any payment of capital, other than a payment of capital specified in paragraph (39.4), made

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

39.4 Paragraph 39.3 shall not apply in respect of a payment of capital made:

- a. under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, London Bombings Relief



	<p>Charitable Fund or the Windrush Compensation Scheme;</p> <p>b. pursuant to section 2 of the 1973 Act in respect of a person's participation:</p> <ul style="list-style-type: none"> <li>i. in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;</li> <li>ii. in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;</li> <li>iii. in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;</li> <li>iv. in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or</li> <li>v. in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;</li> </ul> <p>c. in respect of a person's participation in the Mandatory Work Activity Scheme;</p> <p>d. Enterprise Scheme;</p> <p>e. in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme;</p> <p>f. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—</p> <ul style="list-style-type: none"> <li>i. a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;</li> <li>ii. the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and</li> <li>iii. the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.</li> </ul>
39.5	<p>Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case</p> <ul style="list-style-type: none"> <li>(a) the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and</li> <li>(b) he shall, subject to paragraph 39.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.</li> </ul>
39.6	<p>For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.</p>
39.7	<p>Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.</p>
<b>40.0</b>	<p><b>Diminishing notional capital rule</b></p>
40.1	<p>Where an applicant is treated as possessing capital under section 39.1 (notional capital), the amount which he is treated as possessing;</p> <ul style="list-style-type: none"> <li>(a) in the case of a week that is subsequent to <ul style="list-style-type: none"> <li>(i) the relevant week in respect of which the conditions set out in paragraph 40.2 are satisfied; or</li> <li>(ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 40.3;</li> </ul> </li> <li>(b) in the case of a week in respect of which paragraph 40.1(a) does not apply but where <ul style="list-style-type: none"> <li>(i) that week is a week subsequent to the relevant week; and</li> <li>(ii) that relevant week is a week in which the condition in paragraph 40.4 is satisfied, shall be reduced by the amount determined under paragraph 40.4.</li> </ul> </li> </ul>
40.2	<p>This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that</p>

- (a) he is in receipt of council tax support; and
  - (b) but for paragraph 39.1, he would have received an additional amount of council tax support in that week.
- 40.3 In a case to which paragraph 40.2 applies, the amount of the reduction for the purposes of paragraph 40.1(a) shall be equal to the aggregate of
- (a) the additional amount to which sub-paragraph 40.2 (b) refers;
  - (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
  - (c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
  - (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital) and
  - (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 40.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).
- 40.4 Subject to paragraph 40.5, for the purposes of paragraph 40.1(b) the condition is that the applicant would have been entitled to council tax support in the relevant week but for paragraph 39.1, and in such a case the amount of the reduction shall be equal to the aggregate of
- (a) the amount of council tax support to which the applicant would have been entitled in the relevant week but for paragraph 39.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of council tax support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
  - (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
    - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
    - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,
 and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;
  - (c) if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part- week and multiplying the quotient so obtained by 7

- (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income-based jobseeker's allowance to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7; and
- (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations, have been entitled to an income-related employment and support allowance in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount must be determined by dividing the amount of the income-related employment and support allowance to which he would have been so entitled by the number equal to the number of days in that part-week and multiplying the quotient so obtained by 7.

40.5 The amount determined under paragraph 40.4 shall be re-determined under that paragraph if the applicant makes a further claim for council tax support and the conditions in paragraph 40.6 are satisfied, and in such a case—

- (a) sub-paragraphs (a) to (d) of paragraph 40.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
- (b) subject to paragraph 40.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

40.6 The conditions are that

- (a) a further claim is made 26 or more weeks after
  - (i) the date on which the applicant made a claim for council tax support in respect of which he was first treated as possessing the capital in question under paragraph 39.1;
  - (ii) in a case where there has been at least one re-determination in accordance with paragraph 40.5, the date on which he last made a claim for council tax support which resulted in the weekly amount being re-determined, or
  - (iii) the date on which he last ceased to be entitled to council tax support, whichever last occurred; and
- (b) the applicant would have been entitled to council tax support but for paragraph 39.1.

40.7 The amount as re-determined pursuant to paragraph 40.5 shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.

40.8 For the purposes of this section

- (a) 'part-week'
  - (i) in paragraph 40.4(a) means a period of less than a week for which council tax support is allowed;
  - (ii) in paragraph 40.4(b) means a period of less than a week for which housing benefit is payable;
  - (iii) in paragraph 40.4 (c),(d) and (e) means—
- (aa) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and
- (bb) any other period of less than a week for which it is payable;
- (b) 'relevant week' means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of section 39.1
  - (i) was first taken into account for the purpose of determining his entitlement to council tax support; or
  - (ii) was taken into account on a subsequent occasion for the purpose of determining or

re-determining his entitlement to council tax support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, council tax support;

and where more than one reduction week is identified by reference to heads (i) and (ii) of this sub-paragraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;

- (c) 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

#### **41.0 Capital jointly held**

- 41.1 Except where an applicant possesses capital which is disregarded under paragraph 39(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess

#### **42.0 Not used**

**Sections 43 - 56**

**Definition and the treatment of students for Council Tax Support purposes<sup>17</sup>**

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<sup>17</sup> Amounts shown in sections 43 to 56 will be uprated in line with the Housing Benefit Regulations 2006 (as amended)

### 43.0 Student related definitions

#### 43.1 In this scheme the following definitions apply;

**‘academic year’** means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

**‘access funds’** means;

- a. grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- b. grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- c. grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- d. discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- e Financial Contingency Funds made available by the Welsh Ministers;

**‘college of further education’** means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

**‘contribution’** means;

- a. any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student’s grant or student loan; or
- b. any sums, which in determining the amount of a student’s allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder’s expenses;
  - (i) the holder of the allowance or bursary;
  - (ii) the holder’s parents;
  - (iii) the holder’s parent’s spouse, civil partner or a person ordinarily living with the holder’s parent as if he or she were the spouse or civil partner of that parent; or
  - (iv) the holder’s spouse or civil partner;

**‘course of study’** means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

**‘covenant income’** means the gross income payable to a full-time student under a Deed of Covenant by his parent;

**‘education authority’** means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973, an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

**‘full-time course of study’** means a full time course of study which;

- (a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;;

- (b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
  - (i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or
  - (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
- (c) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—
  - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
  - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

**'full-time student'** means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

**'grant'** (except in the definition of 'access funds') means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

**'grant income'** means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

**'higher education'** means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992; 'last day of the course' means;

- a. in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- b. in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

**'period of study'** means—

- a. in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- b. in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either—
  - (i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or
  - (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
- c. in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

**'periods of experience'** means periods of work experience which form part of a sandwich course;

**'qualifying course'** means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

**'modular course'** means a course of study which consists of two or more modules, the

successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

**'sandwich course'** has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

**'standard maintenance grant'** means—

- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ('the 2003 Regulations') for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
- (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as 'standard maintenance allowance' for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

**'student'** means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- (a) a course of study at an educational establishment; or
- (b) a qualifying course;

**'student loan'** means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Student's Allowances (Scotland) Regulations 2007

43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course

- (a) in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending;
  - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
  - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

- (a) where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.



#### **44.0 Treatment of students**

44.1 The following sections relate to students who claim Council Tax Support

#### **45.0 Students who are excluded from entitlement to council tax support**

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council Tax Support under Classes D and E of the Council's reduction scheme.

45.2 To be eligible for support, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992 and they must not be deemed to be a full time student or a persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

- 45.3 Paragraph 45.2 shall not apply to a student
- (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
  - (b) who is a lone parent;
  - (c) whose applicable amount would, but for this section, include the disability premium or severe disability premium;
  - (d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;
  - (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
  - (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.
  - (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
  - (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
  - (i) who is;
    - i) aged under 21 and whose course of study is not a course of higher education
    - ii) aged 21 and attained that age during a course of study which is not a course of higher education – this condition needs adding
    - iii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person)
  - (j) in respect of whom
    - i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
    - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
    - (iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
    - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support)

Regulations (Northern Ireland) 2000; or  
(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

45.3A Paragraph 45.3(i)(ii) only applies to a claimant until the end of the course during which the claimant attained the age of 21

45.4 For the purposes of paragraph 45.3, once paragraph 45.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

45.5 In paragraph 45.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

45.6 A full-time student to whom sub-paragraph (i) of paragraph 45.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

45.7 Paragraph 45.2 shall not apply to a full-time student for the period specified in paragraph 45.8 if;

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
  - (i) engaged in caring for another person; or
  - (ii) ill;
- (b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.

45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

- (a) the day on which he resumes attending or undertaking the course; or
  - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- which shall first occur.

#### **46.0 Calculation of grant income**

46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.

46.2 There shall be excluded from a student's grant income any payment;

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;

	<ul style="list-style-type: none"> <li>(e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;</li> <li>(f) intended to meet the cost of books and equipment;</li> <li>(g) intended to meet travel expenses incurred as a result of his attendance on the course;</li> <li>(h) intended for the child care costs of a child dependant.</li> <li>(i) of higher education bursary for care leavers made under Part III of the Children Act 1989.</li> </ul>
46.3	<p>Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;</p> <ul style="list-style-type: none"> <li>(a) the sum of £303 per academic year in respect of travel costs; and</li> <li>(b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.</li> </ul> <p>The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).</p>
46.4	<p>There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.</p>
46.5	<p>Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;</p> <ul style="list-style-type: none"> <li>(a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;</li> <li>(b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.</li> </ul>
46.6	<p>Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.</p>
46.7	<p>In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.</p>
46.8	<p>In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.</p>
<b>47.0</b>	<p><b>Calculation of covenant income where a contribution is assessed</b></p>
47.1	<p>Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account</p>

for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.

- 47.2 The weekly amount of the student's covenant shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph 47.1 by 52 or 53, whichever is reasonable in the circumstances; and
  - (b) by disregarding from the resulting amount, £5.

- 47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

#### **48.0 Covenant income where no grant income or no contribution is assessed**

- 48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;

- (a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
- (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.

- 48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph 48.1, except that;

- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
- (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

#### **49.0 Student Covenant Income and Grant income – non disregard**

- 49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this scheme

#### **50.0 Other amounts to be disregarded**

- 50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

#### **51.0 Treatment of student loans**

- 51.1 A student loan shall be treated as income.

- 51.2 In calculating the weekly amount of the loan to be taken into account as income

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
  - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
  - (i) the first day of the first reduction week in September; or
  - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June;

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
  - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
  - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
  - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire

in respect of that year; and  
(ii) no deduction in that loan was made by virtue of the application of a means test.

- 51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4
- (a) the sum of £303 per academic year in respect of travel costs; and
  - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

#### **51A.0 Treatment of fee loans**

- 51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

#### **52.0 Treatment of payments from access funds**

- 52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.
- 52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.
- 52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
- a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
  - b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.
- 52.4 Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
  - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment shall be disregarded as income.

#### **53.0 Disregard of contribution**

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

#### **54.0 Further disregard of student's income**

- 54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

**55.0 Income treated as capital**

55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

**56.0 Disregard of changes occurring during summer vacation**

56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

**Sections 57 – 63**

**The calculation and amount of Council Tax Support**



## **57.0 Maximum council tax support**

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax support in respect of a day for which he is liable to pay council tax, shall be 85 per cent, of the amount A divided by B where;

- (a) A is the **lower** of either;
- amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; or
  - the amount set by the appropriate authority as the council tax for the relevant financial year in respect of a dwelling within Band D subject to any discount which may be appropriate to the person's circumstances; and; and
- (b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls.

57.2 In calculating a person's maximum council tax support any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax support) applies, in determining the maximum council tax support in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case

## **58.0 Non-dependant deductions**

58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax support) shall be; in respect of a non-dependant aged 18 or over, £12.00 x 1/7 unless paragraphs 58.6,58.7,58.8 apply

58.2 Not used

58.3 Only one deduction shall be made under this section in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.

58.4 Not used

58.5 Where in respect of a day—

- (a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
- (b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
- (c) the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the

liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.

58.6 No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is—

- (a) blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
- (b) receiving in respect of himself
  - (i) attendance allowance, or would be receiving that allowance but for
    - (aa) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
    - (bb) an abatement as a result of hospitalisation; or
  - (ii) the care component of the disability living allowance, or would be receiving that component but for
    - (aa) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
    - (bb) an abatement as a result of hospitalisation; or
  - (iii) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
  - (iv) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.

58.7 No deduction shall be made in respect of a non-dependant if:

- a. although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
- b. he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
- c. he is a full time student within the meaning of section 44.0 (Students); or
- d. he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
- e. 'patient' has the meaning given within this scheme, and
- f. where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;
- g. he is not residing with the claimant because he is a member of the armed forces away on operations

58.8 No deduction shall be made in respect of a non-dependant;

- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
- (b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;
- (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.”;  
For the purposes of sub-paragraph (c), “earned income” has the meaning given in regulation 52 of the Universal Credit Regulations 2013

58.9 Not used

**59.0 Council tax support taper (applies to persons defined within Class D)**

59.1 The prescribed daily percentage for the purpose of calculating support as a percentage of excess of income over the applicable amount which is deducted from maximum council tax support, shall be  $2\frac{6}{7}$  per cent (20%). Where an applicant's income exceeds their applicable amount, their council tax support shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax support as defined within section 57 of this scheme

**59A.0 Minimum Council Tax Support**

59A.1 Where any entitlement to Council Tax Support is less than £2 per week, then no amount of support shall be payable whatsoever.

**60.0 Extended reductions**

60.1 An applicant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

- (a) the applicant or the applicant's partner was entitled to a qualifying income-related benefit;
- (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
  - (i) commenced employment as an employed or self-employed earner;
  - (ii) increased their earnings from such employment; or
  - (iii) increased the number of hours worked in such employment,and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to council tax support because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

#### **60A.0 Duration of extended reduction period**

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax within the Colchester district, if that occurs first

#### **60B.0 Amount of extended reduction**

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of—

- (a) the amount of council tax support to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
- (b) the amount of council tax support to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or
- (c) the amount of council tax support to which the applicant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the applicant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

#### **60C Extended reductions – movers**

60C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

#### **60D.0 Relationship between extended reduction and entitlement to council tax support under the general conditions of entitlement**

60D.1 Where an applicant's council tax support award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of

extended reduction – movers).

**61.0 Extended reductions (qualifying contributory benefits)**

61.1 An applicant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner;
  - (i) commenced employment as an employed or self-employed earner;
  - (ii) increased their earnings from such employment; or
  - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where;

- (a) the applicant ceased to be entitled to council tax support because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

**61A.0 Duration of extended reduction period (qualifying contributory benefits)**

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax within the Colchester district, if that occurs first

**61B.0 Amount of extended reduction (qualifying contributory benefits)**

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

- (a) the amount of council tax support to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax support to which the applicant would be entitled under the

- general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax support to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

61B .2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

#### **61C.0 Extended reductions (qualifying contributory benefits) – movers**

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

#### **61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax support under the general conditions of entitlement**

61D.1 Where an applicant's council tax support award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

#### **61E.0 Extended reductions: - Movers Generally <sup>18</sup>**

61E.1 Where;

- a. an application is made to a billing authority ("the current authority") for a reduction under this scheme, and
- b. the applicant, or the partner of the applicant, is in receipt of an extended reduction from
- c. (i) another billing authority in England;  
(ii) a billing authority in Wales;  
(iii) a local authority in Scotland; or  
(iv) a local authority in Northern Ireland.

the current billing authority must reduce any reduction to which the applicant is entitled under this scheme by the amount of that extended reduction.

#### **62.0- 63.0 Not Used**

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<sup>18</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**Sections 64 – 67**

**Dates on which entitlement and changes of circumstances are to take effect**

**64.0 Date on which entitlement is to begin**

64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax support is made and who is otherwise entitled to that support shall be so entitled from the Monday of the reduction week following the date on which that claim is made or is treated as made.

64.2 Where a person is otherwise entitled to council tax support and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from the day of the new liability in that reduction week.

**65.0 - 66.0 Not Used**

**67.0 Date on which change of circumstances is to take effect**

67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under an authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.

67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.

67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.

67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.



67.9 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within one calendar month of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later than the actual change of circumstances.

67.10 In the case of the award of a relevant benefit within the meaning of section 8(3) of the 1998 Act it shall take effect from the date on which entitlement arises to the relevant benefit or to an increase in the rate of that relevant benefit

**Date on which income consisting of earnings from employment as an employed earner are taken into account**

67.11 —(1) A applicant's average weekly earnings from employment shall be taken into account—  
(a) in the case of a claim, on the date that the claim was made or treated as made and the first day of each reduction week thereafter, regardless of whether those earnings were actually received in that week;  
(b) in the case of a claim or award where the claimant commences employment, the first day of the reduction week following the date the claimant commences that employment, and the first day of each reduction week thereafter, regardless of whether those earnings were actually received in that week; or  
(c) in the case of a claim or award where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date of the change, and the beginning of each week thereafter, regardless of whether those earnings were actually received in that week."

**Sections 68– 74A**

**Claiming and the treatment of claims for Council Tax Support purposes**

**68.0 Making an application<sup>19</sup>**

- 68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.
- 68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;
- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
  - (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
  - (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.
- 68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.
- 68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).
- 68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);
- (a) it may at any time revoke the appointment;
  - (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
  - (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
- 68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.
- 68.7 The authority must;
- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a) of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012;
  - (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
  - (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

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<sup>19</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**69.0 Procedure by which a person may apply for a reduction under an authority's scheme<sup>20</sup>**

69.1 Paragraphs 2 to 8 apply to an application for a reduction under an authority's scheme.

69.2 An application may be made—

- (a) in writing,
- (b) by means of an electronic communication in accordance with section 101 to 106 of this policy or
- (c) (where the authority has published a telephone number for the purpose of receiving such applications) by telephone.

69.3 (1) An application which is made in writing must be made to the offices of the authority on a properly completed form.

(2) The form will be provided free of charge by the authority for the purpose.

69.4. Where an application received by the authority is defective because

- (a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or
- (b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

69.5. (1) Where an application made in writing is defective because—

- (a) the form provided by the authority has not been properly completed; or
- (b) if it is made in writing, but not on the form provided by the authority, and the authority does not consider the application as being in a written form which is sufficient in the circumstances of the case;

the authority may request the applicant to complete the defective application or (as the case may be) supply the applicant with the form to complete or request further information or evidence.

(2) An application made on a form provided by the authority is properly completed if completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.6. (1) If an application made by electronic communication is defective the authority will provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.7. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.8. (1) If an application made by telephone is defective the authority will provide the person making the application with an opportunity to correct the defect.

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<sup>20</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.9 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

69.10 Where an applicant ('C')—

- (a) makes a claim which includes (or which C subsequently requests should include) a period before the claim is made; and
- (b) from a day, in that period, up to the date when C made the claim (or subsequently requested that the claim should include a past period), C had continuous good cause for failing to make a claim (or request that the claim should include that period), the claim is to be treated as made on the date determined in accordance with paragraph 69.11

69.11 The date is the latest of—

- (a) the first day from which C had continuous good cause;
- (b) the day 1 month before the date the claim was made;
- (c) the day 1 month before the date when C requested that the claim should include a past period.

69.12 A person who has made a claim for support may amend it at any time before a determination has been made on the claim by notice in writing received at the designated office, by telephone call to a telephone number specified by the relevant authority or in such other manner as the relevant authority may decide or accept.

#### **69A.0 Date on which a claim made**

69A.1 Subject to sub-paragraph (7), the date on which an application is made is

(a) in a case where;

- (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- (ii) the application for a reduction under this scheme is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(b) in a case where—

- (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application to the authority is received at the authority's offices within one month of the date of the change,

the date on which the change takes place;

(c) in a case where—

- (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and
- (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation,

the date of the death or separation;

(d) except where paragraph (a), (b) or (c) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to the applicant following the applicant first notifying, by whatever means, the authority of an intention to make an

application, the date of first notification;  
(e) in any other case, the date on which the application is received at the offices of the authority.

- 69A.2 For the purposes only of sub-paragraph (1)(a) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under—  
(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or  
(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),  
have been entitled to that allowance.
- 69A.3 Where the defect in an application by telephone:  
(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority is to treat the application as if it had been duly made in the first instance;  
(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority is to treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide on the application.
- 69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- 69A.5 The conditions are that—  
(a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or  
(b) where an application is not on approved form or further information requested by authority applies;  
(i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;  
(ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,  
in either case, within such longer period as the authority may consider reasonable; or  
(c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.
- 69A.6 Except in the case of an application made by a person treated as not being in United Kingdom, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority is to treat the application as having been made on the day on which the liability for the tax arises.
- 69A.7 Except in the case of an application made by a person treated as not being in United Kingdom, where the applicant is not entitled to a reduction under this scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under this scheme for a period beginning not later than  
(a) in the case of an application made by a pensioner, the seventeenth reduction week following the date on which the application is made, or  
(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,

the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

- 69A.8 Sub-paragraph (7) applies in the case of a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit.

**70.0 Submission of evidence electronically**

- 70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

**71.0 Use of telephone provided evidence**

- 71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

**72.0 Information and evidence<sup>21</sup>**

- 72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

- 72.2 This sub-paragraph is satisfied in relation to a person if—
- (a) the application is accompanied by;
    - (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
    - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
  - (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
    - (i) evidence of the application for a national insurance number to be so allocated; and
    - (ii) the information or evidence enabling it to be so allocated.

- 72.3 Sub-paragraph (2) does not apply;
- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
  - (b) to a person who;
    - (i) is a person treated as not being in Great Britain for the purposes of this scheme;
    - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
    - (iii) has not previously been allocated a national insurance number.

- 72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

- 72.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

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<sup>21</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 72.6 Where the authority makes a request under sub-paragraph (4), it must;
- (a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
  - (b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.
- 72.7 This sub-paragraph applies to any of the following payments;
- (a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the London Emergencies Trust, the We Love Manchester Emergency Fund, London Bombings Relief Charitable Fund or the Windrush Compensation Scheme;
  - (b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);
  - (c) a payment which is disregarded under paragraph 58.9.
- 72.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;
- (a) the name and address of the pension fund holder;
  - (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.
- 73.0 Amendment and withdrawal of claim <sup>22</sup>**
- 73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the offices of the authority.
- 73.2 Where the application was made by telephone in accordance with this scheme, the amendment may also be made by telephone.
- 73.3 Any application amended in accordance with paragraph (1) or (2) will be treated as if it had been amended in the first instance.
- 73.4 A person who has made an application may withdraw it at any time before a decision has been made on it by notice to the offices of the authority.
- 73.5 Where the application was made by telephone in accordance with this scheme, the withdrawal may also be made by telephone.
- 73.6 Any notice of withdrawal given in accordance with sub- paragraph (4) or (5) shall have effect when it is received.
- 73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.
- 74.0 Duty to notify changes of circumstances<sup>23</sup>**
- 74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf)

<sup>22</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>23</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012



must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;

(a) between the making of an application and a decision being made on it, or

(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;

(a) in writing; or

(b) by telephone—

(i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or

(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

(c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying

(a) changes in the amount of council tax payable to the authority;

(b) changes in the age of the applicant or that of any member of his family;

(c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.

74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.

74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

74.6 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within one calendar month of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority.

**Sections 75- 90**

**Decisions, decision notices and awards of Council Tax Support**

**75.0 Decisions by the authority<sup>24</sup>**

75.1 An authority must make a decision on an application for a reduction under its scheme within 14 days of paragraphs 4 and 7 and Part 1 of Schedule 7 of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 being satisfied, or as soon as reasonably practicable thereafter.

**76.0 Notification of decision<sup>25</sup>**

76.1 The authority must notify in writing any person affected by a decision made by it under this scheme

- (a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
- (b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;

- (a) informing the person affected of the duty imposed by paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances;
- (b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

76.5 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (6).

76.6 This sub-paragraph applies to—

- a) the applicant;
- b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act—
  - (i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
  - (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
  - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise, a person appointed by the authority under paragraph 68.2.
- c) a person appointed by the authority under paragraph 68.3

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<sup>24</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>25</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

## **77.0 Time and manner of granting council tax support<sup>26</sup>**

77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
- (b) where;
  - (i) such a reduction is not possible; or
  - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
  - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

77.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
  - (i) must be paid to that person if he so requires; or
  - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

## **78.0 Persons to whom support is to be paid <sup>27</sup>**

78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount of a reduction must be made to that person.

78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

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<sup>26</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>27</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

## **79.0 Shortfall in support / reduction<sup>28</sup>**

79.1 Where, on the revision of a decision allowing a reduction under an authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

## **80.0 Payment on the death of the person entitled<sup>29</sup>**

80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

## **81.0 Offsetting**

81.1 Where a person has been allowed or paid a sum of council tax support under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

## **82.0 Payment where there is joint and several liability<sup>30</sup>**

82.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
- (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
- (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate, it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

## **83- 90.0 Not used**

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<sup>28</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>29</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>30</sup> Inserted by Schedule 8 of the Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**Sections 91 – 94**

**Collection, holding and forwarding of information for Council Tax Support purposes**

**91.0 Use of information from and to the Department of Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC)**

91.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

91.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements<sup>31</sup>.

**92.0 Collection of information**

92.1 The authority may receive and obtain information and evidence relating to claims for council tax support, the council may receive or obtain the information or evidence from–

- (a) persons making claims for council tax support;
- (b) other persons in connection with such claims;
- (c) other local authorities; or
- (d) central government departments including the DWP and HMRC

92.2 The authority may verify relevant information supplied to, or obtained.

**93.0 Recording and holding information**

93.1 The authority may

- (a) may make a record of such information; and
- (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax support.

**94.0 Forwarding of information**

**94.1** The authority may forward it to the person or authority for the time being administering claims to or awards of council tax support to which the relevant information relates, being

- (i) a local authority;
- (ii) a person providing services to a local authority; or
- (iii) a person authorised to exercise any function of a local authority relating to council tax support.

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<sup>31</sup> Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

**Sections 95 – 98**

**Revisions, Written Statements, Termination of Council Tax Support**



## **95.0 Persons affected by Decisions**

95.1 A person is to be treated as a person affected by a relevant decision of the authority here that person is;

- a. an applicant;
- b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
  - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or support on his behalf,
  - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
  - (iii) an attorney with a general power or a power to receive benefit or support appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
- c. a person appointed by the authority under this scheme;

## **96.0 Revisions of Decisions**

96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision') may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;

- (i) one month of the date of notification of the original decision; or
- (ii) such extended time as the authority may allow.

96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;

- i) one month of the date of notification of the additional information; or
- (ii) such extended time as the authority may allow

## **97.0 Written Statements**

97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council Tax Support. The request must be received within one month of the date of the notification being issued by the authority.

## **98.0 Terminations**

98.1 The authority may terminate support in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;

- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
- b. a decision as to an award of such a support should be revised or superseded.

98.2 Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax, the authority may terminate, in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;

- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
- b. a decision as to an award of such a support should be revised or superseded.

98.3 Subject to sections 98.1 or 98.2, the authority may terminate Council Tax Support from a date it determines entitlement ended

## **Section 99**

### **Appeals against the authority's decisions**

- 99.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>32</sup>**
- 99.1 A person who is aggrieved by a decision of the authority, which affects;  
(a) the person's entitlement to a reduction under its scheme, or  
(b) the amount of any reduction to which that person is entitled,  
may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 99.2 In the circumstances mentioned in sub-paragraph (1) the authority must  
(a) consider the matter to which the notice relates;  
(b) notify the aggrieved person in writing;  
(i) that the ground is not well founded, giving reasons for that belief; or  
(ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act.

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<sup>32</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

## **Section 100**

### **Procedure for applying for a discretionary reduction**

**100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>33</sup>**

- 100.1 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;
- (a) in writing,
  - (b) by means of an electronic communication in accordance this scheme or
  - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 100.2 Where;
- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
  - (b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

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<sup>33</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**Section 100A – 100B**

**Second Adult Reduction - Special Provision for Students**

**100A.1 Alternative maximum council tax reduction (Second Adult Reduction) (Eligible Students only)**

100A.1 Subject to paragraphs 100A.2 and 100A.3, the alternative maximum council tax reduction where the conditions are satisfied shall be the amount determined in accordance with Schedule 2 .

100A.2 Subject to paragraph 100A.3, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 2 shall be divided by the number of persons who are jointly and severally liable for that tax.

100A.3 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9, 77 or 77A of the 1992 Act (liability of spouses and civil partners), paragraph 100A.2 shall not apply in his case.

**100B.0 Residents of a dwelling to whom Second Adult Reduction does not apply**

100B.1 Entitlement to an alternative maximum council tax reduction shall not apply in respect of any person referred to in the following paragraphs namely;

- (a) a person who is liable for council tax solely in consequence of the provisions of sections 9, 77 and 77A of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- (b) a person who is residing with a couple or with the members of a polygamous marriage where the applicant for council tax reduction is a member of that couple or of that marriage and;
  - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
  - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (c) a person who jointly with the applicant for support falls within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant;
- (d) a person who is residing with two or more persons both or all of whom fall within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act and two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

**Section 101 – 106A<sup>34</sup>**  
**Electronic Communication**

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<sup>34</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012



## **101.0 Interpretation**

- 101.1 In this Part;  
“**information**” includes an application, a certificate, notice or other evidence; and  
“**official computer system**” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

## **102.0 Conditions for the use of electronic communication**

- 102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.
- 102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (1) if the conditions specified in paragraphs (3) to (6) are satisfied.
- 102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.
- 102.4 The second condition is that the person uses an approved method of:
- authenticating the identity of the sender of the communication;
  - electronic communication;
  - authenticating any application or notice delivered by means of an electronic communication; and
  - subject to sub-paragraph (7), submitting to the authority any information.
- 102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- 102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.
- 102.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

## **103.0 Use of intermediaries**

- 103.1 The authority may use intermediaries in connection with;
- the delivery of any information by means of an electronic communication; and
  - the authentication or security of anything transmitted by such means,
- and may require other persons to use intermediaries in connection with those matters.

## **104.0 Effect of delivering information by means of electronic communication**

- 104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed:
- by this section; and
  - by or under an enactment,
- are satisfied.
- 104.2 The authority may determine that any information is to be treated as delivered on a

different day (whether earlier or later) from the day provided for in sub-paragraph (1).

- 104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

**105.0 Proof of identity of sender or recipient of information**

- 105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of:
- a. the sender of any information delivered by means of an electronic communication to an official computer system; or
  - b. the recipient of any such information delivered by means of an electronic communication from an official computer system,
- the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

**106.0 Proof of delivery of information**

- 106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;
- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
  - (b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.
- 106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.
- 106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

**106A.0 Proof of content of information**

- 106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

**Section 107**  
**Counter Fraud and Compliance**

## **107.0 Counter Fraud and compliance**

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Support;
- b. Carry out investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases

107.2 The authority believes that it is important to minimise the opportunity for fraud and;

- a. will implement rigorous procedures for the verification of claims for council tax support;
- b. will employ sufficient Officers to fulfill the authority's commitment to combat fraud;
- c. will actively tackle fraud where it occurs in accordance with this scheme;
- d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
- e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

**Schedule 1**  
**Applicable Amounts<sup>35</sup>**

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<sup>35</sup> The amounts shown within this schedule shall be uprated in line with the Housing Benefit Regulations 2006 as amended

### Personal Allowance

- 1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

Column 1 Person or Couple	Column 2
1. A Single applicant who; a) is entitled to main phase employment and support allowance	£77.00
b) is aged not less than 25	£77.00
c) is aged not less than 18 but less than 25	£61.05
2. Lone Parent	£77.00
3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance	£121.05
b) Where one member is aged not less than 18	£121.05
c) For each additional spouse who is a member of the same household as the claimant	£44.05

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

- Paragraph 17 or 18 is satisfied in relation to the applicant; or
- The applicant is entitled to a converted employment and support allowance

- 2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

Column 1 Child or Young Person	Column 2
Person in respect of the period— (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£70.80
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	£70.80

(2) In column (1) of the table in paragraph (1), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

### Family Premiums

3. (1) The amount for the purposes of this scheme in respect of a family of which at least one member is a child or young person shall be
- where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the Housing Benefit Regulations 2006 applies, £22.20;
  - in any other case, £17.85;

### **Premiums**

4. Except as provided in paragraph 5, the premiums specified this Schedule shall, for the purposes of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 4 to 16 in respect of that premium.
5. Subject to paragraph 6, where an applicant satisfies the conditions in respect of more than one premium in this this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.
- 6 (1) The following premiums, namely–
- a. severe disability premium to which paragraph 10 applies;
  - b. an enhanced disability premium to which paragraph 11 applies;
  - c. a disabled child premium to which paragraph 12 applies; and
  - d. carer premium to which paragraph 13 applies,
- may be applicable in addition to any other premium which may apply under this Schedule
7. (1) Subject to sub-paragraph (2), for the purposes of this Schedule, once a premium is applicable to an applicant under this Part, a person shall be treated as being in receipt of any benefit for
- a. in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
  - b. any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 1973 Act or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under or section 2 of the Enterprise and New Towns(Scotland) Act 1990 for any period during which he is in receipt of a training allowance.
- (2) For the purposes of the carer premium, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Act or the daily living component of the personal independence payment under the Welfare Reform Act 2012 or an AFIP.

### **Disability Premium**

8. The condition (s) to be met is contained in Schedule 3 (12) Housing Benefit Regulations 2006

### **Additional Condition for the Disability Premiums**

9. The condition (s) to be met is contained in Schedule 3 (13) Housing Benefit Regulations 2006

### **Severe Disability Premiums**

10. The condition (s) to be met is contained in Schedule 3 (14) Housing Benefit Regulations 2006

### **Enhanced Disability Premium**

11. The condition (s) to be met is contained in Schedule 3 (15) Housing Benefit Regulations 2006

### **Disabled Child Premium**

12. The condition (s) to be met is contained in Schedule 3 (16) Housing Benefit Regulations 2006

### **Carer Premium**

13. The condition (s) to be met is contained in Schedule 3 (17) Housing Benefit Regulations 2006

### **Persons in receipt of concessionary payments**

14. For the purpose of determining whether a premium is applicable to a person under paragraphs 8 to 13, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

**Persons in receipt of benefit for another**

15. For the purposes of this Schedule, a person shall be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

**Amounts of Premium**

16. For the purposes of this Schedule, the following amounts shall apply;

Premium	Amount
<b>Disability Premium</b>	£36.20
a. where the applicant satisfies the condition in paragraph 12(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 12(b) of Schedule 3 Housing Benefit Regulations 2006	£51.60
<b>Severe Disability Premium</b>	£69.40
a. where the applicant satisfies the condition in paragraph 14(2)(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 14(2)(b) of Schedule 3 Housing Benefit Regulations 2006	£69.40
i. in a case where there is someone in receipt of carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 14(5);	
ii. in a case where there is no one in receipt of such an allowance	£138.80
<b>Disabled Child Premium</b>	£68.04 in respect of each child or young person in respect of whom the condition specified in paragraph 16 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
<b>Carer Premium</b>	£38.85 in respect of each person who satisfies the condition specified in paragraph 17 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
<b>Enhanced Disability Premium</b>	(a) £27.44 in respect of each child or young person in respect of whom the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied; (b) £17.75 in respect of each person who is neither— (i) a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied; (c) £25.35 where the applicant is a member of a couple or a



Premium	Amount
	polygamous marriage and the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied in respect of a member of that couple or polygamous marriage.

#### **The components**

17. The condition (s) to be met is contained in Schedule 3 (21 -24) Housing Benefit Regulations 2006 as amended by the Social Security (Miscellaneous Amendments) Regulations 2013
18. The amount of the work-related activity component is £30.60. The amount of the support component is £40.60.

#### **Transitional Addition**

19. The applicant is entitled to the transitional addition calculated in accordance with paragraph 30 of Schedule 3 of the Housing Benefit Regulations 2006 where the applicant or the applicant's partner meets the conditions contained within paragraphs 27 – 29 of Schedule 3 of the Housing Benefit Regulations 2006

#### **Amount of transitional addition**

20. The amount of any transitional addition is calculated in accordance with paragraphs 30 and 31 of Schedule 3 of the Housing Benefit Regulations 2006

## **Schedule 2**

### **Second Adult Reduction – Special Provisions for Students**

**(Alternative Maximum Council tax reduction)**

1. Subject to paragraphs 2 and 3, the alternative maximum council tax reduction in respect of a day for the purpose of section 100A shall be determined in accordance with the following Table and in this Table
  - a) 'second adult' means any person or persons residing with the applicant; and
  - b) 'persons to whom paragraph 45.2 applies' includes any person to whom that section would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
2. In this Schedule 'council tax due in respect of that day' means the council tax payable under section 10 or 78 of the 1992 Act less—
  - (a) any reductions made in consequence of any enactment in, or under, the 1992 Act; and
  - (b) in a case to which the circumstance in the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

<b>Second Adult</b>	<b>Alternative Maximum Council tax reduction</b>
where the dwelling would be wholly occupied by one or more persons to whom regulation 43.1 applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance	80 per cent. of the council tax due in respect of that day.

3. In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income;
  - (a) any attendance allowance, or any disability living allowance under section 71 of the Act or any personal independence payment under the Welfare Reform Act 2012 or an AFIP;
  - (b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
  - (c) any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

Where there are two or more second adults residing with the applicant for support and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 of the 1992 Act, his income shall be disregarded in determining the amount of any alternative maximum council tax reduction, unless that second adult is a member of a couple, and his partner does not fall to be disregarded for the purposes of discount.

### **Schedule 3**

#### **Sums to be disregarded in the calculation of earnings<sup>36</sup>**

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<sup>36</sup> All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended)

1. In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—
  - (a) where—
    - (i) the employment has been terminated because of retirement; and
    - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,  
any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
  - (b) where before the first day of entitlement to council tax support the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
    - (i) any payment of the nature described in  
(aa) paragraph 25.1(e), or  
  
(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
    - (ii) any award, sum or payment of the nature described in  
(aa) paragraph 25.1(g) or (h), or  
(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),  
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
  - (c) where before the first day of entitlement to council tax support—
    - (i) the employment has not been terminated, but
    - (ii) the applicant is not engaged in remunerative work,  
  
any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii) (bb) or paragraph 25.1(i), or (j).
2. In the case of an applicant who, before first day of entitlement to council tax support;
  - (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
  - (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,  
any earnings paid or due to be paid in respect of that employment except;
    - (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
    - (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).
- 2A. In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation

of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

3. (1) In a case to which this paragraph applies and paragraph 4 does not apply, £25; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £25.  
  
(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.  
  
(3) This paragraph applies where
  - (a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
  - (b) the applicant or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.  
(4)–(5) Not used
4. In a case where the applicant is a lone parent, £25.
5. (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium, £25 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.  
  
(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £25 of the aggregated amount.
6. Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £25, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
  - (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £25;
  - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £25 as would not when aggregated with the amount disregarded under paragraph 5 exceed £25.
7. In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £25; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £25.
8. (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £25 of earnings derived from one or more employments as—
  - (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
  - (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section

- 1 of the Fire (Scotland) Act 2005(a)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
- (c) an auxiliary coastguard in respect of coast rescue activities;
  - (d) a person engaged part-time in the manning or launching of a life boat;
  - (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;
- but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).
- (2) If the applicant's partner is engaged in employment;
    - (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £25;
    - (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £25 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £25.
- 9.** Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £25 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £25 if he is a single applicant, or up to £25 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £25.
- 10.** In a case to which none of the paragraphs 3 to 9 applies, £25.
- 10A.** (1) Where;
- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
  - (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
  - (c) paragraph 12 does not apply,
- the amount specified in sub-paragraph (7) ('the specified amount').
- (2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.
  - (3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).
  - (4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £25 unless the Secretary of State is satisfied that B is also undertaking exempt work.
  - (5) This sub-paragraph applies to a person who is;
    - (a) in receipt of a contributory employment and support allowance;
    - (b) in receipt of incapacity benefit;
    - (c) in receipt of severe disablement allowance; or
    - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975
  - (6) 'Exempt work' means work of the kind described in;

(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)  
 (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,  
 and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

**11.** Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

**12.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

**13.** Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.

**14.** Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.

**15.** Any earnings of a child or young person.

**16.** (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or

(b) the applicant—

(i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) is a member of a couple and

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his applicable amount includes a family premium; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and;

(aa) the applicant's applicable amount includes a disability premium, the work-related activity component or the support component ;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit Regulations (eligibility for 50 plus element) applies, or



would apply if an application for working tax credit were to be made in his case.

- (3) The following are the amounts referred to in sub-paragraph (1);
  - (a) the amount calculated as disregardable from the applicant's earnings under paragraphs 3 to 10A of this Schedule;
  - (b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and
  - (c) £17.10
- (4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.
- (5) This section will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

- 17.** In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.

#### **Schedule 4**

#### **Sums to be disregarded in the calculation of income other than earnings<sup>37</sup>**

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<sup>37</sup> Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended

- 1.** Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).
- A2.** Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- A3.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
- 2.** Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
  - (a) engaged by a charitable or voluntary organisation, or
  - (b) volunteer,if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
- 2A.** Any payment in respect of expenses arising out of the applicant's participation as a service user.
- 3.** In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
- 4.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.
- 5.** Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
- 6.** Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
- 7.** Any disability living allowance, personal independence payment or AFIP
- 8.** Any concessionary payment made to compensate for the non-payment of;
  - (a) any payment specified in paragraph 7 or 10;
  - (b) income support;
  - (c) an income-based jobseeker's allowance.
  - (d) an income-related employment and support allowance.
- 9.** Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
- 10.** Any attendance allowance.
- 11.** Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
- 12.** (1) Any payment—
  - (a) by way of an education maintenance allowance made pursuant to;
    - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);

- (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
    - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
  - (b) corresponding to such an education maintenance allowance, made pursuant to;
    - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
    - (ii) regulations made under section 181 of that Act; or
    - (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
  - (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 13.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 14**
  - (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
    - (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
    - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
    - (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
  - (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 15**
  - (1) Subject to sub-paragraph (2), any of the following payments;
    - (a) a charitable payment;
    - (b) a voluntary payment;
    - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
    - (d) a payment under an annuity purchased;
      - (i) pursuant to any agreement or court order to make payments to the applicant; or
      - (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
    - (e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of

any personal injury to the applicant.

- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by—
    - (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
    - (b) the parent of a child or young person where that child or young person is a member of the applicant's family.
- 16.** 100% of any of the following, namely
  - (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
  - (b) a war widow's pension or war widower's pension;
  - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
  - (d) a guaranteed income payment;
  - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
  - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
  - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.
- 17.** Subject to paragraph 35, £15 of any;
  - (a) widowed mother's allowance paid pursuant to section 37 of the Act;
  - (b) widowed parent's allowance paid pursuant to section 39A of the Act.
- 18.** (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.  
(2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of—
  - (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
  - (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.  
(3) The definition of 'water charges' in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words 'in so far as such charges are in respect of the dwelling which a person occupies as his home'.
- 19.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—
  - (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998(c), that student's award;
  - (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
  - (c) the student's student loan,an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

- 20.** (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
  - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to—
- (a) the weekly amount of the payments; or
  - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
- 21.** Any payment made to the applicant by a child or young person or a non- dependant.
- 22.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
  - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 23.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
  - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 24.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.
- 25.** Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.
- 26.** (1) Any payment made to the applicant in respect of a person who is a member of his family—

- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
    - (b) not used
    - (ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
    - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
    - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
  - (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 27.** Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under–
    - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
    - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
    - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
  - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 28.** Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by–
- (a) a health authority;
  - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
  - (c) a voluntary organisation;
  - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
  - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
  - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
- 29.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 29A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(e) or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
  - (b) is aged 18 or over, and
  - (c) continues to live with the applicant.
- 30.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
  - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
  - (b) meet any amount due by way of premiums on—
    - (i) that policy; or
    - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 31.** Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.
- 32.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
- 33.** Any payment under Part 10 of the Act (Christmas bonus for pensioners).
- 34.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 16 and 17 shall in no case exceed £20 per week.
- 36.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.



(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation London Bombings Relief Charitable Fund, or the Windrush Compensation Scheme.

**37.** Any housing benefit, council tax benefit or council tax support / reduction.

**38.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

**39. - 40.** not used

41. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
42. Not used
43. Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
44. Not used
45. (1) Any payment or repayment made—
  - (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
  - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
  - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in subparagraph (1).
46. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
47. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
48. Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the claimant's family, except where the person making the payment is the claimant or the claimant's partner.
49. Not used
50. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
51. Any guardian's allowance.
52. (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.  
  
(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
53. Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence

to any person who is not a person entitled under that Order.

- 54.** In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 55** (1) Any payment which is
- (a) made under any of the Dispensing Instruments to a widow, widower or
  - (b) surviving civil partner of a person;
    - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
    - (ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.
- (2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).
- 55A.** Any council tax support or council tax benefit to which the applicant is entitled.
- 56.** Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10. This will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).
- 56A.–56B.** Not used
- 57.** Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 58.** (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
  - (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,
- in respect of which such assistance is or was received.
- (2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 59.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
- (2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- (3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
- 60.** Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
- 61.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or

otherwise.

- 62.** Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
- 63.** (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.  
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 65.** Any Bereavement Support payments made under the Bereavement Support Payment Regulations 2017.
- 66.** Any payments disregarded for Housing Benefits under the Social Security (Emergency Funds) Amendment) Regulations 2017.
- 67.** Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:  
(a) an applicant's entitlement to a reduction under the scheme; or  
(b) the amount of any reduction to which the applicant is entitled.  
"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022.
- 68.** Any payment made either under a Local Welfare Provision or any emergency increase in national welfare benefits made by Government in response to any crisis. This will exclude any benefit increases made in line with benefit upratings that would occur annually.

**Schedule 5**  
**Capital to be disregarded<sup>38</sup>**

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<sup>38</sup> Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
4. Any premises occupied in whole or in part—
  - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
  - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
8. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.  
 (2) The assets of any business owned in whole or in part by the applicant where—
  - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
  - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax support is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-

engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(3) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
  - (b) an income-related benefit under Part 7 of the Act;
  - (c) an income-based jobseeker's allowance;
  - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
  - (e) working tax credit and child tax credit
  - (f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax support, for the remainder of that award if that is a longer period.

(3) For the purposes of sub-paragraph(2), 'the award of council tax support' means—

- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
  - (i) is the person who received the relevant sum; or
  - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

10. Any sum

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

- 11.** Any sum—
  - (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
  - (b) which was so deposited and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.
- 12.** Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax support or to increase the amount of that support.
- 13.** The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
- 14.** Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A.** (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.  
  
(2) But sub-paragraph (1)
  - (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
  - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
  - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
  - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.  
(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.  
  
(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
- 15.** The value of the right to receive any income under a life interest or from a life rent.
- 16.** The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.
- 17.** The surrender value of any policy of life insurance.
- 18.** Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 19.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 19A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the



applicant.

(2) Sub-paragraph (1) applies only where A;

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

- 20.** Any social fund payment made pursuant to Part 8 of the Act.
- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.
- 22.** Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.
- 23.** Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 24.** (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) the person who is suffering from haemophilia or who is a qualifying person;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
  - (b) the payment is made either;

(i) to that person's parent or step-parent; or  
(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,  
but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, London Bombings Relief Charitable Fund, or the Windrush Compensation Scheme.

**25.** (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

**26.** Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

**27.** Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

**28.** Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

29. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
30. Not used
31. The value of the right to receive an occupational or personal pension.
32. The value of any funds held under a personal pension scheme
33. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
34. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
35. Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
36. Not used.
37. Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
38. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
  - (a) to purchase premises intended for occupation as his home; or
  - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.
39. Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
40.
  - (1) Any payment or repayment made—
    - (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
    - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
    - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),but only for a period of 52 weeks from the date of receipt of the payment or repayment.
  - (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in subparagraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.

41. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
- 41A. Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
42. Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
43. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
44. Not used
45. Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
46. (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax support), the whole of his capital.  
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax support), sub-paragraph (1) shall not have effect.
47. 1) Any sum of capital to which sub-paragraph (2) applies and
  - (a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7 ) Rule 2013) or by the Court of Protection;
  - (b) which can only be disposed of by order or direction of any such court; or
  - (c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.  
(2) This sub-paragraph applies to a sum of capital which is derived from;
  - (a) an award of damages for a personal injury to that person; or
  - (b) compensation for the death of one or both parents where the person concerned is under the age of 18.
48. Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
  - (a) award of damages for a personal injury to that person; or
  - (b) compensation for the death of one or both parents where the person concerned is under the age of 18.
49. Any payment to the applicant as holder of the Victoria Cross or George Cross.
50. Not used
51. In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.
52. (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that

payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

**53. (1) Any payment;**

- (a) by way of an education maintenance allowance made pursuant to—
  - (i) regulations made under section 518 of the Education Act 1996;
  - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
  - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to;
  - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
  - (ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

**53A.-53B. Not used**

**54.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

**55.** Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

**56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

**57. (1)** Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's

- partner at the date of the diagnosed person's death;
  - (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
  - (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
  - (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
    - (i) two years after that date; or
    - (ii) on the day before the day on which that person—
      - (aa) ceases receiving full-time education; or
      - (bb) attains the age of 20,
 whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
  - (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
  - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
  - (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
  - (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
    - (i) two years after that date; or
    - (ii) on the day before the day on which that person
      - (aa) ceases receiving full-time education; or
      - (bb) attains the age of 20,
 whichever is the latest.
- (5) In this paragraph, a reference to a person—
  - (a) being the diagnosed person's partner;
  - (b) being a member of a diagnosed person's family;
  - (c) acting in place of the diagnosed person's parents,
 at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person

residing in a care home, an Abbeyfield Home or an independent hospital on that date.

- (6) In this paragraph— ‘diagnosed person’ means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;  
‘relevant trust’ means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;  
‘trust payment’ means a payment under a relevant trust.

**58.** The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant’s partner, the applicant’s deceased spouse or deceased civil partner or the applicant’s partner’s deceased spouse or deceased civil partner

- (a) was a slave labourer or a forced labourer;
- (b) had suffered property loss or had suffered personal injury; or
- (c) was a parent of a child who had died,

during the Second World War.

**58 (1)** Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) ‘local authority’ includes in England a county council.

**60.** Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

**61.** Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

**62.** Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

**63.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)

**64.** Any Bereavement Support payments made under the Bereavement Support Payment Regulations 2017.

**65.** Any payments disregarded for Housing Benefits under the Social Security (Emergency Funds) Amendment) Regulations 2017

**66.** Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

- (a) an applicant’s entitlement to a reduction under the scheme; or
- (b) the amount of any reduction to which the applicant is entitled.

“The Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022





<b>Report of</b>	<b>Assistant Director of Corporate and Improvement Services</b>	<b>Author</b>	<b>Richard Clifford</b> ☎ 507832
<b>Title</b>	<b>Report of Urgent Decision taken under Rule 22 of the Cabinet Procedure Rules – Revised Pay Award 2022-23</b>		
<b>Wards affected</b>	Not Applicable		

## 1. Executive Summary

1.1 This report provides details of a decision taken by the Leader of the Council in respect of the revised pay award for 2022/23. In view of the timescales involved, this decision could not await this Cabinet meeting and the decision was therefore taken by the Leader of the Council pursuant to the provisions of Cabinet Procedure Rule 22. A decision taken in these circumstances must be reported to the next meeting of Cabinet.

## 2. Recommended Decision

2.1 To note the decision taken by the Leader of the Council in respect the revised pay award 2022/23 under the urgency provisions in Cabinet Procedure Rule 22.

## 3. Reason for Recommended Decision

3.1 A decision taken under Rule 22 of the Cabinet Procedure Rules must be reported to the next meeting of Cabinet.

## 4. Alternative Options

4.1 None.

## **5. Background Information**

5.1 The report setting out the decision on the revised pay award for 2022-23 is attached. The Monitoring Officer, as Proper Officer, was satisfied that the matter was urgent and that the decision needed to be taken before the next Cabinet meeting. The decision was therefore taken by the Leader of the Council in accordance with rule 22 of the Cabinet Procedure Rules. The decision was published on 22 December 2022. In view of the urgency, the call in provisions did not apply to the decision.

5.2 As the decision was a key decision, and the normal arrangements around the publication of a key decision could not apply, the Chair of the Scrutiny Panel was consulted and indicated that, in accordance with the provisions of Rule 31 of the Access to Information Procedures Rules, he was content that in the circumstances the decision could not be deferred.

5.3 The decision is reported to Cabinet as is required by the Procedure Rules.

## **6. Standard References**

6.1 There are no particular references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications relating to this report. The implications relating to the decision on the pay award are set out in the attached report.

## Cabinet

Item

16 November 2022

Report of	Chief Executive	Author	Jessica Douglas. Strategic People and Performance Manager
Title	Revised Pay Award 2022 - 23		
Wards affected	Not applicable		

### 1. Executive Summary

- 1.1 This report sets out the rationale and background for the proposal to review the 2022-23 pay award paid to council staff from 1 April 2022.
- 1.2 The 2022-23 pay award was negotiated before the cost of living and energy price increases. Staff voted to accept the 2022 pay offer with a recommendation from UNISON to accept.
- 1.3 Since the pay award was agreed, the economic outlook has changed, and the National Joint Council (NJC) offered a higher pay increase than the council's pay award.
- 1.4 UNISON regional branch submitted a claim for the council to apply the NJC pay award of £1925 for each spinal column point. Despite on-going negotiations between both sides, agreement could not be reached. UNISON balloted their members on strike action.
- 1.5 To settle the pay dispute and to avoid disruption to core services, the proposal is to apply the £1925 increase to spinal column points 4 to 32 at an additional cost of £700k.
- 1.6 In accordance with Cabinet Procedure Rule 22(1), the Strategic Governance Manager considered that this matter was urgent in order to resolve the pay dispute and that the Leader of the Council as Chair of Cabinet should make an urgent decision to implement the pay award.

### 2. Recommended Decision

- 2.1 To apply the National Joint Council (NJC) £1925 increase on spinal column points 4 to 32 from 1 April 2022 at an additional cost of £700k.

### 3. Reason for Recommended Decision

- 3.1 The 2022-23 pay award was negotiated with UNISON and was effective from 1 April 2022. Since the pay award was agreed, the increase in the cost of living and energy prices has been unprecedented and has impacted on the disposable income for all staff but particularly the lower paid.
- 3.2 The National Joint Council (NJC) pay award for 2022-23 has recently been agreed and represents a significantly higher pay increase than the award paid to council staff locally.

- 3.3 UNISON requested the council to re-open negotiations following the NJC pay award and the cost-of-living increase and balloted staff for industrial action on the 24 November when agreement could not be reached.
- 3.4 UNISON have indicated that the pay dispute will be resolved if the council agreed to pay £1925 to staff on spinal column points 4 to 32 from 1 April 2022 in line with the NJC pay award.
- 3.5 As a good employer, the council acknowledges the impact of the increase in the cost of living on its employees and believes the decision to increase pay will support staff to cover their living costs. It will support staff retention and allow the continuation of critical services to be provided by avoiding strike action.

#### **4. Alternative Options**

- 4.1 To not apply the NJC pay award 2022-23 to the council's pay scales. There is a high risk that UNISON members would vote to take industrial action, severely impacting council core services.

#### **5. Background Information**

- 5.1 The Council negotiates pay with UNISON at a local level. The 2022-23 negotiated pay award provided for a 3% increase for the lowest paid staff above the real living wage pay rate at spinal column points 14 to 18 and a 2.5% increase for staff on spinal column points 19 and above.
- 5.2 On 25 July 2022, the Employers Side of the National Joint Council (NJC) for England, Wales and Northern Ireland, made a final pay offer to local government employees. The pay offer was a flat rate increase on all spinal column points of £1,925 to be implemented from 1 April 2022. This offer has been accepted and will be implemented in December's pay, backdated to 1 April 2022. The NJC pay award is significantly higher than the pay award paid to council employees this year
- 5.3 The UNISON regional pay negotiator contacted the council on 24 August 2022 requesting to re-open pay negotiations for 2022-23 and submitted a claim to pay the Council's employees the £1925 increase on every spinal column point in line with the NJC pay award for 2022/23.
- 5.4 The Council's response was to advise UNISON that the 2022-23 pay award was negotiated and agreed in good faith and there was no requirement to re-open negotiations. Additionally, the pay award 2022-23 had been within the agreed budget and any increase would provide an in-year pressure that would have to be funded.
- 5.5 On 7 November, UNISON notified Pam Donnelly as Head of Paid Service of its intention to ballot members for industrial action on 24 November as the pay dispute had not been resolved and issued a press release.

- 5.6 Officers continued to meet with UNISON with a view to avoiding industrial which would severely impact on vital services if strike action were to take place. Two offers were made.
- to apply the NJC £1925 increase to staff above the living wage on spinal column points 14 – 32 from December 2022. Staff above spinal column point 32 are already paid on the same rates or slightly more than NJC employees on the same spinal column points.
  - An improved offer to back date the NJC £1925 pay increase to September 2022 for staff on spinal column points 14 to 32.
- 5.7 The offers were rejected by UNISON on the basis that it did not meet their claim:
- to apply the NJC pay increase on each spinal column point of £1925 for staff employed on spinal column points 14 to 32 from 1 April 2022.
  - Staff on spinal points 4 to 13 (living wage rate) had not been awarded the same payment of £1925 that staff on spinal points 4 to 13 on NJC grades and other staff in the council had been awarded.
- 5.8 Subject to an urgent decision process, and in consultation with the Council's Leader and Deputy Leader, the offer to UNISON has been made to settle the pay dispute:
- to implement the NJC £1925 increase on spinal column points 4 to 32 from 1 April 2022.
- 5.9 This offer is in line with NJC employers and other local authorities in Essex who are outside of NJC and negotiate pay locally but have also agreed to implement the NJC £1925 pay award increase.
- 5.10 As the 2022-23 pay award has already been paid, staff will receive an additional payment which will take the overall increase to £1925 this year.
- 5.11 The pay award creates a significant pressure on the in year and future years' budget. The council will do everything to mitigate the impact on services to residents and staffing levels.
- 5.12 In 2022/23 the cost will be funded by using unspent carry-forwards from previous financial years. There are currently no specific proposal to fund the cost in future years. Funding will therefore need to be determined in setting the Council's 2023/24 revenue budget.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 The proposed pay award will be applied equally to staff on spinal column points 4 to 32. There will not be any detrimental impacts in relation to gender, gender reassignment, disability, sexual orientation, religion or belief, age and race/ethnicity.

## **7. Strategic Plan References**

- 7.1 Staff play a key role in delivering the themes and priorities in the Strategic Plan. This revised pay award is put forward as a fair agreement that recognises the current economic climate and cost of living challenges.

## **8. Consultation**

- 8.1 The proposal to pay the NJC pay award follows a pay negotiation process with UNISON on behalf of their members.

## **9. Publicity Considerations**

- 9.1 This decision may generate some public and press interest. We will respond to enquiries about it by setting it in the context of our overall budget position.

## **10. Financial implications**

- 10.1 Financial Regulation 3.6.6 covers authority to exceed an approved budget. It states:

*Any proposal which, if adopted, is likely to involve expenditure or future commitments not provided for in the existing revenue budget shall be the subject of a special report to the Cabinet. This report shall detail all the financial consequences and state whether sufficient financial provision is available in the budget for the proposal in current and future years and what action is proposed if such provision is not available.*

- 10.2 The general fund impact of the proposed award would be circa £700k in 2022-23, and there would be additional cost in future years. This amount is comprised of £450k for implementing the £1,925 on SCP's 14 to 32, and £250k for the backdating of the living wage increase to 1<sup>st</sup> April. The quarter 2 in-year forecast outturn position already allows for the living wage increase from October 2022. The funding for the proposed increase should be determined prior to its approval.
- 10.3 There is no provision in the 2022-23 general fund revenue budget to revise the pay award. The additional cost would therefore require the use of reserves. The revenue budget is currently reporting a £400k overspend at Q2 (7 December 2022 Governance and Audit Committee). This forecast does not allow for the proposed award.
- 10.4 Cabinet has yet to consider proposals to close the budget gap in 2023-24 and future years. The additional cost of the award ignoring inflation would be £450k in 2023-24 and £2.250m across the 5 years of the MTFF. The award would increase the budget gap in all years of the MTFF. The 23/24 cost of the living wage award is already included in our MTFF inflation assumptions.
- 10.5 At its 6 July 2022 meeting Cabinet agreed a budget assumption of 4% for pay in 2023-24 (£800k) The award if made would be a first charge on this provision unless alternative funding was identified.

## **11. Other Implications**

- 11.1 There are no particular health, wellbeing and community safety; health and safety, risk management implications or environmental and sustainability implications.







<b>Report of</b>	<b>Assistant Director of Place and Client</b>	<b>Author</b>	<b>Karen Turnbull</b> ☎ 282275
<b>Title</b>	<b>Colchester's new Economic Strategy 2022-25</b>		
<b>Wards affected</b>	All wards		

## 1. Executive Summary

### 1.1 Colchester's new Economic Strategy is due for publication.

The strategy sets out the role Colchester Borough Council and our partners will play in maintain and boosting the strength of our economy. It:

- highlights the key assets and challenges of Colchester's economy
- sets out our vision and priorities, along with principal objectives
- provides case studies to illustrate the type of work we will encourage to achieve our priorities
- highlights the factors that influence the economy
- describes how we will work with partners.

## 2. Recommended Decision

### 2.1 To adopt the new Economic Strategy 2022-25 for Colchester.

### 2.2 To recommend to full Council that the Economic Strategy be adopted as part of the Council's Policy Framework.

## 3. Reason for Recommended Decision

### 3.1 With Colchester recently honoured with city status as part of The Queen's Platinum Jubilee celebrations, Colchester's new Economic Strategy is timely.

Colchester is a hot-spot for innovation and investment. Employment levels are high and businesses have proved their resilience. However, the combined impact of the pandemic, the UK's departure from the EU, the situation in Ukraine and climate change are presenting unprecedented economic challenges.

This Strategy aligns strongly with partners and their strategies to coordinate our efforts to support an inclusive economy. It charts a course to take Colchester's economy forward in partnership:

- supporting the economy to survive and thrive
- enabling Colchester to compete for future talent, investment and influence; and
- improving people's lives and tackling inequalities through gaining and improving skills, encouraging jobs growth, influencing health and transport choices; and delivering more effective digital connectivity and improved personal and commercial prospects from this.

## 4. Alternative Options

- 4.1 To not adopt the Economic Strategy. There are however clear risks to not having a robust evidence based strategy in place such as not achieving local priorities, not being able to evidence and articulate Colchester Borough Council's wider vision for the economy and not providing a strong focus to our partners about their contribution to meeting our priorities and helping economic recovery.

## 5. Background Information

- 5.1 This is Colchester's second Economic Strategy. The first covered the period from 2015-21 and focussed on sectoral development.
- 5.2 Following a detailed consultation and strategy development process as set out in 8. below, this strategy takes a themed approach based on four key priorities and clear aims associated with each of them.
- 5.3 Key Priorities

Colchester's Economic Strategy 2022-25 sets out our vision, four priorities for change and objectives to be achieved.

### **Vision: Colchester: unlocking our city's potential**

<b>Theme</b>	<b>Priority</b>	<b>Objectives</b>
People	We support inclusive economic growth by encouraging business innovation, helping build the skills the local workforce will need to take advantage of future opportunities, and championing the Real Living Wage.	<ul style="list-style-type: none"><li>• Identify and facilitate opportunities to promote innovation and new businesses</li><li>• Work with partners and stakeholders to address skills shortages</li><li>• Tackle inequalities by enabling local people to access and develop new skills</li><li>• Sustain the local economy with high quality business support, information and guidance</li><li>• Encourage a higher wage economy</li></ul>
Place	We use our resources, knowledge, assets and connections to leverage inward investment in the City, and facilitate improved infrastructure, including digital infrastructure.	<ul style="list-style-type: none"><li>• Identify and secure funding to enhance Colchester and boost the economy.</li><li>• Identify and pursue projects which support key sector development.</li><li>• Support and encourage inward investment. Develop a new Digital Strategy as a competitive edge and to enhance skills</li><li>• Capitalise on Colchester's new status as a city</li><li>• Understand the future infrastructure needs of a fast-growing place.</li></ul>
Partnerships	We engage widely with partners and anchor institutions at the local, regional, national and international level to help Colchester capitalise on new opportunities for economic growth, jobs and infrastructure.	<ul style="list-style-type: none"><li>• Engage with partners to promote Colchester's economic interests.</li><li>• Support the work of partners in offering business support to enable recovery and growth.</li><li>• Mobilising the opportunity around our anchor institutions in community wealth building.</li><li>• Help develop a more connected and influential place</li></ul>
Planet	We work with partners to improve the environment of our place, accelerate	<ul style="list-style-type: none"><li>• Support initiatives to enhance the quality of the environment.</li></ul>

	the decarbonisation of Colchester economy and reduce the environmental impact of business activities	<ul style="list-style-type: none"> <li>• Help local businesses reduce their carbon emissions.</li> <li>• Support development of local green technology businesses</li> <li>• Identify new economic opportunities from the emerging 'green economy'</li> </ul>
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In keeping with the Colchester Can approach, this strategy prioritises an enabler/facilitator approach. Colchester's partnership arrangements are mature and effective, and through the pandemic our partnerships have strengthened with CBC being seen as a trusted anchor.

## **Delivery Plan**

The Delivery Plan for the new Strategy is in development and will set out the actions the Council, its partners and stakeholders will undertake to achieve the priorities. It will be accessible and meaningful so that local people can see opportunities which apply to them and how they can participate.

Workstreams and projects include:

- Developing a Shared Prosperity Funding Investment Plan
- Developing and delivering Levelling Up Fund Round 2 bid
- Developing a Rural England Prosperity Fund Investment Plan
- The Colchester Skills Programme led by The Colchester Ambassadors Group
- New Digital Strategy in partnership with Colchester Amphora Trading Ltd.
- Delivering the project programme for the Town Deal

### **5.4 Monitoring and Review**

The strategy will be a live document that will achieve its aims and objectives through the implementation of a 3-year Delivery Plan, which will be updated by Colchester Borough Council on a regular basis.

5.4 The plan will be monitored and progress reported to the Portfolio Holder.

## **6. Equality, Diversity and Human Rights implications**

6.1 An Equality Impact Assessment on the Economic Strategy has been completed and a link to the document can be found here [Economic Strategy 2022 2025 EQIA Nov 2022.docx](#)

6.2 There are no Human Rights implications

## **7. Strategic Plan References**

7.1 The priorities in the new Economic Strategy will deliver against the Council's current Strategic Plan 2020-23 priorities in particular the pledge to "Growing a fair economy so everyone benefits". Specifically this means:

### **Priorities**

### **Goals**

Enable economic recovery from

- Ensure our borough becomes stronger post Covid-19 by supporting businesses to recover, adapt and build resilience.

## Priorities

## Goals

Covid-19  
ensuring  
all  
residents  
benefit  
from  
growth

- Work with partners to facilitate a high skill, high wage, low carbon workforce.
- Develop opportunities to ensure the new economy is greener, sustainable and more resilient.
- Work with our partners to enable Colchester town centre to be a more vibrant, resilient and adaptable to future change.
- Transform the Northern Gateway as a hub for improved wellbeing, physical activity, jobs, housing and renewable energy.
- Address the inequality of access to Gigabit Broadband in communities.
- Tackle local skills shortages working with businesses, University of Essex, Colchester Institute and other partners.

Work with partners  
to deliver a  
shared vision  
for a vibrant  
town

- Agree a Town Deal with partners and the Government to attract significant new investment.
- Collaborate with the town centre Business Improvement District (BID).
- Continue to regenerate Colchester Town Centre using Council assets, aligned private investment, the Town Deal and Town Investment Plan.

Create an  
environment  
that attracts  
inward  
investment to  
Colchester  
and help  
businesses  
to flourish

- Ensure our strategy for inclusive economic growth supports the ambitions outlined in the North Essex Growth Strategy, the Local Industrial Strategy and our Town Deal.
- Ensure a good supply of employment land and premises to attract new businesses and allow existing firms to expand and thrive.
- Encourage green technologies and innovative solutions to the Climate Emergency.
- Maximise the Social Value benefits derived from third party contracts.
- Ensure the Council's assets continue to contribute to economic growth and opportunity.

## 8. Consultation and Strategy Development

- Two consultation workshops were held with external partners and stakeholders as well as internal business facing services which both helped to shape the new Economic Strategy.
- Insights from local business surveys and other public consultations with residents on projects like the Town Deal and on subjects like the future of the town centre have been sought and included.
- Data and analysis from partner strategies and monitoring of official datasets and reports to understand macro-economic trends have also contributed to developing the

Strategy. The accompanying Data Digest is a summary of this deeper and more comprehensive evidence base.

- The draft Economic Strategy has been circulated to Officers for their comments.
- The Portfolio Holder for Local Economy and Transformation and the Portfolio Holder for Strategy have been given the opportunity to review the documents.
- The Cabinet have had the opportunity to review and requested new content, which has been included.
- The responses to consultations have been positive. Where comments, amendments and suggestions have been made these have been incorporated where appropriate.

## **9. Publicity Considerations**

- 9.1 The Economic Strategy documents will be published on the Council's website. A communications plan is being developed to publicise the Strategy and generate interest and commitment to the Delivery Plan.

## **10. Financial implications**

- 10.1 The strategy sets out a challenging and ambitious vision for the economy which will be delivered against a backdrop of significant reduction in funding for local government. In the current financial climate of reduced resources, the Council will need to look carefully at how it will use these resources to deliver the strategy from existing budgets.

The Council will work to encourage its partners to commit their resources to meeting the priorities set out in the strategy. As many of the organisations are partners, they have already helped to shape the strategy and have shown their commitment to its delivery.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 Colchester is facing significant population and housing growth, demanding more jobs, more skills and more businesses to create an expanding economy to match. A strong economy is vital for Colchester to provide residents with the jobs, income, health and purpose they need; to allow businesses to flourish; to provide the infrastructure a growing place relies on and to keep our Borough vibrant and attractive.
- 11.2 The Government's Levelling Up agenda places a renewed emphasis on inclusive economic growth so that existing inequalities are reduced.

## **12. Health and Safety Implications**

- 12.1 There are no health and safety implications

## **13. Risk Management Implications**

- 13.1 There are no risk management implications

## **14. Environmental and Sustainability Implications**

- 14.1 Environmental and sustainability implications have been considered throughout the development of the new Economic Strategy. The need for cleaner growth is increasingly

critical to manage and reduce our impacts on the environment as we work toward sent Zero.

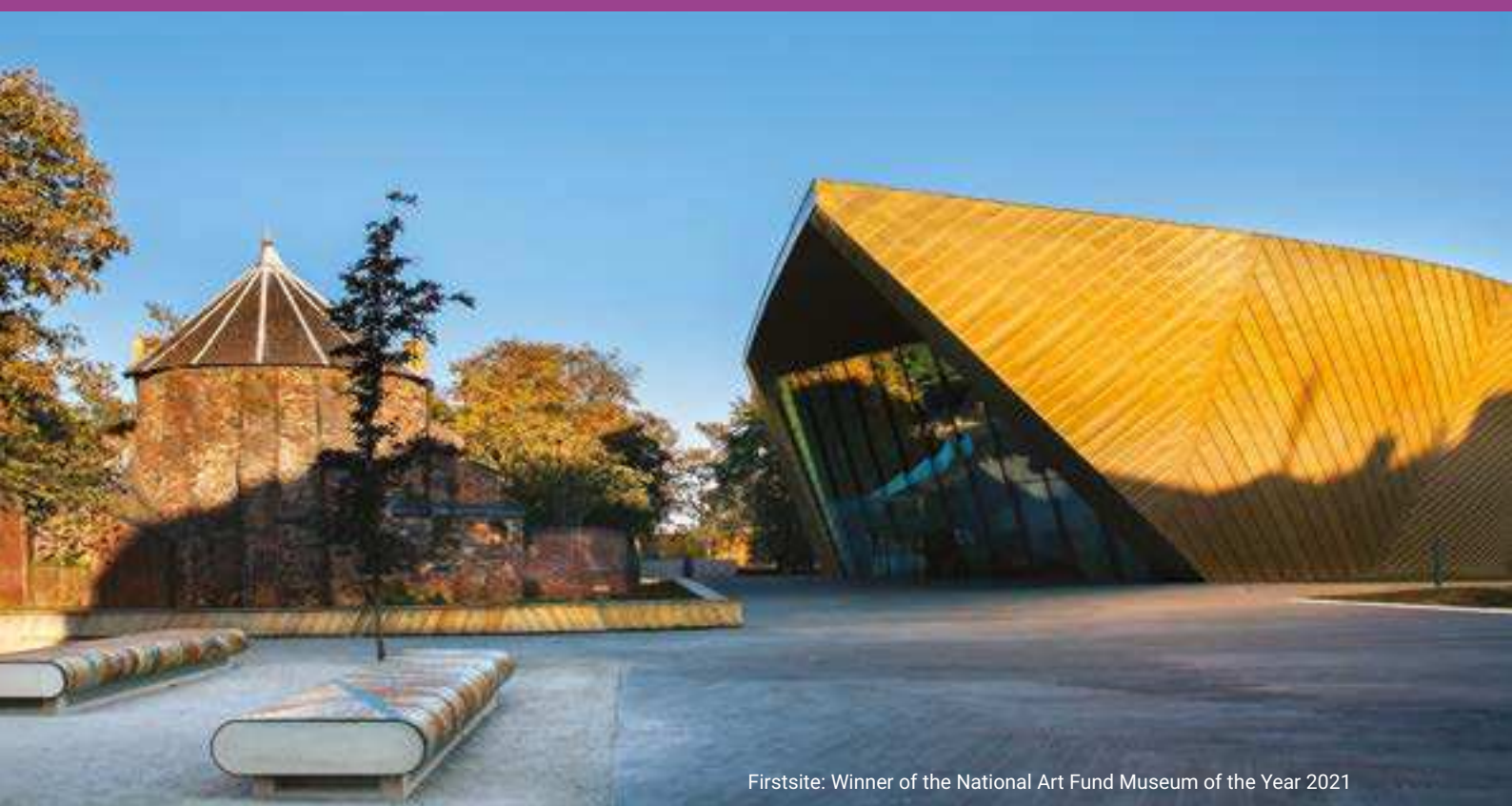
## **Appendices**

Appendix A Colchester's Economic Strategy 2022-25

Appendix B Economic Strategy Data Digest

# COLCHESTER'S ECONOMIC STRATEGY

Colchester: unlocking our city's potential



Firstsite: Winner of the National Art Fund Museum of the Year 2021

## 2022-25



Colchester  
City Council



Colchester  
Ultra Ready for Business



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## Preface

**Councillor David King**  
**Leader, Colchester Borough Council**

With Colchester being honoured with City Status by Her Majesty, The Queen, as part of her Platinum Jubilee celebrations, Colchester's new Economic Strategy has never been more relevant or timely. Colchester is a hot-spot for innovation and investment. Employment levels are high, and businesses have proved their resilience. However, the combined impacts of the pandemic, the UK's departure from the EU, the situation in Ukraine and climate change are presenting unprecedented challenges. For some sectors such as health and care it is a time of opportunity, albeit with severe constraints, for others in sectors like retail, tourism, leisure, and hospitality, it continues to be a time of great challenge. This strategy has been developed over a period of economic turbulence. The challenge for the Council and its partners will be to be sufficiently nimble to address fast emerging issues and to take advantage of new opportunities.

I believe that a period of rapid economic and social change drives technological innovation. Indeed, we are seeing the growing importance of artificial intelligence and the data-driven economy, and the skills needed to support and develop it. The need for 'cleaner growth' is increasingly critical to manage and reduce our impacts on the environment as we work towards Net Zero. Social and demographic change is driving demand for new goods and services delivered in revolutionary ways and in Colchester, significant population and housing growth are demanding more jobs,

more skills, and more businesses to create an expanding economy to match. While painting a picture of opportunity and potential, I also recognise that the combination of these strategic risks combines with underlying long-term economic trends which are disrupting existing jobs and business models, creating a sea-change in how our small enterprises do business, challenging their resilience and capacity.

This Economic Strategy charts a medium-term course to take Colchester's economy forward in partnership into recovery:

- ▶ putting it in the best possible position to survive and thrive
- ▶ enabling Colchester to compete for future talent, investment, and influence; and taking a more holistic approach to
- ▶ improving people's lives and prospects through better skills, jobs, health and transport choices; and more effective digital connectivity so that economic growth is more inclusive.

Recovery can be realised by helping entrepreneurs to achieve their ambitions, creating more and better job opportunities, developing skills, attracting investment, and providing transport and digital infrastructure to help businesses to thrive.

Our partnerships and relationships are stronger now, sharpened through the crises of the past two years. There is a mutual understanding and insight which is deeper than before, one which will provide a firmer footing as we face the challenge of recovery together.

In addition, we'll be working with other major institutions (known as 'Anchors'), which are also invested in Colchester and the wellbeing of our community, to help make the economy inclusive for everyone and to champion the Real Living Wage.



# Executive Summary

A **strong economy** is vital for Colchester. Vital to provide residents with the jobs, income, health, and purpose they need; to allow businesses to flourish; to provide the infrastructure a growing place relies on; and to keep our borough vibrant, and attractive.

The Government's Levelling Up agenda places a renewed emphasis on inclusive economic growth so that existing inequalities are reduced. It also includes new possibilities for devolved power which we will want to harness for Colchester's benefit.

This Strategy sets out the role Colchester City Council and our partners will play in ensuring our economy includes everyone and to championing the Real Living Wage. It:

- ▶ Highlights the key assets and challenges of Colchester's economy
- ▶ Sets out our vision and priorities, along with principal objectives.
- ▶ Explains the thinking behind some of our aspirations
- ▶ Provides case studies to illustrate the type of work we will encourage to achieve our priorities
- ▶ Highlights the factors that influence us
- ▶ Describes how we will work with partners

Colchester's economy is dominated by **small and micro businesses** representing 93% of businesses in the Borough. The core sectors creating jobs and growth in Colchester are **tourism, advanced manufacturing, financial services, and retail**. Growth sectors include **creative/digital/tech, care, green energy, and construction**.

Colchester is characterised by its:

- ▶ **Business diversity** – no one sector or employer dominates the Colchester economy.
- ▶ **Quality of place** – Colchester has a rich mix of heritage, museums, galleries, open spaces and leisure choices.
- ▶ **Growth potential** – By 2030 the Borough's population is projected to be over 214,000.
- ▶ **Business resilience** – Colchester's businesses demonstrated impressive adaptability during the crisis phase of the pandemic.
- ▶ **Connectedness** – Key partners work together in established relationships to capitalise on economic opportunities
- ▶ **Strong infrastructure investment** – Good road and public transport links are complimented by Ultrafast Broadband and 5G
- ▶ **Ambition** - Colchester is keen to realise its potential as a city to live, work, study, visit and do business.

However, the data and our engagement show our economy faces challenges we need to work together to overcome. These include:

- ▶ **Skills Gaps** – Colchester has lower levels of employees with higher level NVQs compared to the regional and national averages.
- ▶ **Polarisation of incomes** – Colchester's strengths in tourism, hospitality and care tend to be at the lower end of the pay spectrum compared to commuter salaries in The City.
- ▶ **Competition from other places** – As well as the need to capitalise on Colchester's new status as a city, there is a need to invest in Colchester to further modernise its digital and transport infrastructure, protect its appeal, and attract and retain businesses and the people who work in them.
- ▶ **Climate emergency** – Colchester's economy will be affected by the climate emergency and by the need to decarbonise. However, the shift to greener energy presents opportunities as well as challenges.

## We have adopted a new vision and four priorities for Colchester:

### Colchester: unlocking our city's potential

#### PEOPLE:

We support inclusive economic growth by encouraging business innovation, helping build the skills the local workforce will need to take advantage of future opportunities, and championing the Real Living Wage.

- ▶ Identify and facilitate opportunities to promote innovation and new businesses.
- ▶ Work with partners and stakeholders to address skills shortages.
- ▶ Tackle inequalities by enabling local people to access and develop new skills.
- ▶ Sustain the local economy with high quality business support, information and guidance.
- ▶ Aspire to develop a higher wage economy.

#### PLACE:

We use our resources, knowledge, assets and connections to leverage inward investment in the City, and facilitate improved infrastructure, including digital infrastructure.

- ▶ Identify and secure funding to enhance Colchester and boost the economy.
- ▶ Identify and pursue projects which support key sector development.
- ▶ Support and encourage inward investment.
- ▶ Develop a new Digital Strategy as a competitive edge and to enhance skills.
- ▶ Understand the future infrastructure needs of a fast-growing place.

#### PARTNERSHIPS:

We engage widely with partners and anchor institutions at the local, regional, national and international level to help Colchester capitalise on new opportunities for economic growth, jobs and infrastructure.

- ▶ Engage with partners to promote Colchester's economic interests.
- ▶ Support the work of partners in offering business support to enable recovery and growth.
- ▶ Help develop a more connected and influential place.
- ▶ Mobilise the role of Anchor Institutions in community wealth building.

#### PLANET:

We work with partners to improve the environment of our place, accelerate the decarbonisation of Colchester economy and reduce the environmental impact of business activities.

- ▶ Support initiatives to enhance the quality of the environment.
- ▶ Help local businesses reduce their carbon emissions.
- ▶ Support development of local green technology businesses.
- ▶ Identify new economic opportunities from the emerging 'green economy' businesses.



## What is Inclusive Economic Growth?

‘Inclusive Economic Growth’ is rising prosperity that includes everyone, that reduces inequalities, and is sustainable. We will work to achieve more inclusive growth in all our work. It takes a more holistic approach to improving people's lives because a fairer economy is a stronger economy which narrows inequalities.

Following the adoption of this strategy, we will develop annual action plans to ensure our work is directed to achieve our priorities.

We have not developed this strategy in a vacuum. Instead, we are actively involved in partnerships covering a wide range of issues, both economic and social, and have developed mature relationships with partner agencies. As a result, we have developed this strategy:

- ▶ By engaging with a local business, and with local and regional stakeholders
- ▶ Based on evidence emerging from relevant statistics and reports
- ▶ To align with the priorities of our neighbours and partners

Our engagement has taken the form of surveys of local businesses, 1-to-1 conversations, and engagement workshops. This has allowed us to test current thinking, explore opportunities and challenges, and identify possible priorities. It has confirmed that a new strategy is timely, and our enabling approach is appropriate.

More than 500 businesses responded to our surveys; and consultation workshops included representatives from the BEST Growth Hub, Colbea, Colchester BID, Essex County Council, Essex University, and Let's Do Business plus other Council teams, including Amphora Trading, Business Rates, Communications, Housing, Licensing, Planning, and Climate Change.

Themes which were stressed during these engagement workshops included the positive mindsets of most businesses, the skills challenge and how it differs between sectors, the importance of inclusive economic growth, the need for translation and support with the ‘green challenge’, and the support for working together to attract new investment. Analysis of partner strategies also confirms these general themes to be reflective of current key issues and thinking.

The typical comments from the consultations below coalesce around emerging priority areas.

“Businesses are facing unprecedented pressures. They need hand-holding if they are to go greener, they can't do it by themselves.”

“There's a lot of people moving sectors right now. We are facing real difficulties recruiting and retaining staff. Skills development and keeping those skills in the business is a real priority for us now as we can't buy new people in as easily as before.”

“The pandemic has really brought home that business is about people and trust. It has brought home how vital partnerships are in delivering our own ambitions. We need to create, sustain and build on that virtuous circle.”

“The past 18 months has shown how Colchester is out-performing other places. We need to capitalise on this. Everything is here to make that happen now. We should be more confident about that.”



The oyster fisheries at Mersea supply demand from around the world.



# Colchester's Economic Context

## Colchester's economic assets

Our appreciation of the key assets of Colchester's economy has informed our choice of priorities. By recognising these and building on them we can amplify our impact. Colchester's key assets include:

Construction is one of Colchester's core economic sectors and one where skills are in great demand.

- **BUSINESS DIVERSITY** – no one sector or employer dominates the Colchester economy. 93% of Colchester's businesses are micro/small. This has helped Colchester to weather economic shocks such as the financial crisis of 2008/9.
- **QUALITY OF PLACE** – Colchester has a rich mix of heritage and archaeology, award-winning parks and open spaces including the Dedham Vale Area of Outstanding Natural Beauty, unique communities such as Mersea Island plus nationally recognised cultural offers at Firstsite and the Mercury Theatre. Colchester Borough is truly unique and offers a high quality of life. Colchester and the surrounding area are increasingly appreciated by visitors. Recent

years have seen an additional 6 new hotels expanding visitor choice and changing Colchester from a daytrip to a short-break destination. Visitor figures demonstrate its increasing popularity: 6.6m trips were taken in the Borough in 2019 and the visitor economy was worth some £394m and supported more than 5400 jobs.

- **GROWTH POTENTIAL** – By 2030 the Borough's population is projected to be over 214,000. That's higher than the current populations of Norwich and Aberdeen. This growth presents economic opportunities, especially for key sectors like construction. The Borough has been open to growth and attracted an estimated £336m investment between 2014-2021.

- **BUSINESS RESILIENCE** – Colchester's business community demonstrated impressive adaptability during the crisis phase of the pandemic. Businesses, joined together, supported each other, and pivoted business models to online and home deliveries, often within days.
- **CONNECTEDNESS** – The pandemic has drawn the key players in Colchester together like never before. Established relationships have been built on trust, with a willingness to work together showing results such as the £19.2m Town Deal regeneration programme. Colchester works together in partnerships which deliver meaningful connections into their respective networks. We look forward to continuing to work with We Are Colchester, the University of Essex, Colbea, the Our Colchester BID, the Chamber of Commerce and Federation of Small Businesses to maximise the economic value from these connections.
- **INFRASTRUCTURE INVESTMENT** – with good road and public transport links, a strong transport investment pipeline plus a £48m further rollout of Ultrafast Broadband and 5G Colchester will be able to compete effectively, inspiring innovation, delivering more tech jobs and enabling people to improve their IT skills and employability prospects.
- **AMBITION** – Colchester is keen to realise its potential as a city to live, work, study, visit and do business. and work with our anchor institutions to make the economy inclusive for everyone and to champion the Real Living Wage.



Artist's impression of St Nicholas Square regeneration project in Colchester town centre, encouraging dwell time and improving the experience of the town.



Colchester has significant gigabit broadband reach and this is set to expand with a further investment of £48m of private investment from Swedish fibre installation specialist, VX Fiber.





The reimagined £11m Mercury Theatre which reopened during 2021 providing a welcome boost to the town centre following multiple pandemic lockdowns.

## Confidence in Colchester: Recent Investments

supporting growth and core sectors through inward investment. Bringing more businesses, more jobs and more choice to Colchester.

Colchester is an **investment hot-spot**. Between 2015 and 2021 £333.8m has been invested by the private and public sector. They brought new jobs, new opportunities for learning, added choice, improved quality of the experience of Colchester and made it even more investable. The previous

Colchester Economic Growth Strategy 2015-21 identified 8 core and growth sectors in Colchester's economy. This table identifies headline projects which have been delivered in this time period to showcase how these sectors have been supported, often with inward investment.

**1 TOURISM, HOSPITALITY & LEISURE – INVESTING IN BRITAIN'S OLDEST RECORDED TOWN AND FIRST CITY**  
**£86.4m** which brought a redisplayed Castle Museum, 6 new/refurbished hotels, David Lloyd Leisure and new Sports Centre and cycle circuit at Northern Gateway and the reimagined Mercury Theatre.

**2 CREATIVE, DIGITAL AND TECH**  
 The **£2.6m** Creative Business Centre was opened in the former old Police Station in Queen Street. It is operated by SPACE Studios and offers workspace for over 40 businesses.

**3 HEALTH AND CARE**  
 Partnerships have been formed to explore the potential around this sector. Given the ageing population in north Essex there is potential for more technological solutions to be explored. This is a long running project with high aspiration which will continue into the next iteration of the strategy.

**4 SUSTAINABLE ENERGY FOR HOMES AND BUSINESSES AT THE NORTHERN GATEWAY**  
 Our flagship Government funded **£3.5m** energy project sees the construction of a carbon-cutting,

District Heat Network at Colchester Northern Gateway to supply heat and hot water to the developments' homes and businesses.

Reducing our carbon emissions is an important part of meeting climate change goals and the Heat Network will significantly reduce carbon emissions caused by heating homes and offices and will generate a source of hot water to replace boilers in the new homes being built.

It also means better value for households as district heat networks offer competitive and stable energy prices over the long term.

## 5 SUPPORTING RETAIL

**Town Centre transformation – £55.1m** which delivered the new Fenwick store, the new Primark store, Ultrafast gigabit broadband, upgrade of Priory Street car park, a new public space around The Mercury Theatre and 9 'Parklet' wooden seats in the High Street and other projects in the pipeline.

**New retail routes to market and skills development** – working in partnership with other local authorities the Council commissioned Click it Local to work with the Our Colchester BID and local independent retailers to extend their skills to offer their products online free of charge through a universal shopping basket like Amazon. It has also helped new home-based businesses to test effective routes to market giving them the best possible start.

**New Retail beyond the Town Centre** offering shopping choice for a growing population **£72m** new retail centre at Stane Park, Stanway.



The £12m Innovation Centre at the University of Essex, providing work and collaboration space for 50 tech companies.

## 6 CONSTRUCTION

The majority of these projects support the construction sector and its lengthy supply chains, including many local businesses. In addition, there was:

- ▶ **New Office Spaces** for start-up and young businesses **£7.3m** which delivered Amphora I and II in Sheepen Road and the Creative Business Centre at 37 Queen Street.
- ▶ **Investment in the Student Experience** at the University of Essex and Colchester Institute – a strong skills pipeline for Colchester **£85.5m** which delivered a new STEM Centre at both institutions, the Essex Business School and Silberrad Student Centre at the University and a new Care Skills Centre at the Institute.
- ▶ **New Businesses Encouraged** to locate University at The Knowledge Gateway to capitalise on a global academic talent pool **£27m** which brought Parkside Office spaces and the Innovation Centre.





Replenishh is part of the Rapid Electronics group and is playing a vital role in supporting the Electronic Vehicles industry to build the UK's EV charging network.

## 7 FINANCIAL SERVICES

The lack of high quality office space was identified as a need in the previous strategy. This was partly addressed with the construction of two office builds constructed by the Council's sister company, Colchester Amphora Trading Ltd, which both support the financial services sector. Birkett Long LLP now operates from

the prestigious **£2.7m** Amphora Place shortly followed by insurance merger Aston Lark's neighbouring **£2m** office space.

## 8 ADVANCED MANUFACTURING

Very specialist and a mature sector in Colchester. The Ultrafast broadband digital infrastructure project supports the growth of this sector.

These major investments in Colchester over the past four years has come from both public and private investors. Their investment has: driven economic growth delivering significant numbers of new jobs, raised the ceiling value of commercial rents, improved the image and reputation of Colchester and has made it a better place to live, work, study, visit and do business.

The forward pipeline is positive too with 2022 promising to deliver **more multi-million pound projects** including:

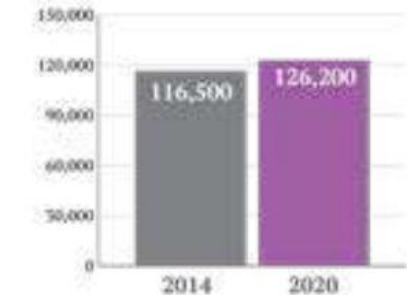
- ▶ the expansion of Ultrafast Broadband,
- ▶ a new teaching and business facility at Colchester Hospital,
- ▶ further expansion of the Parkside Office Village at the University of Essex,
- ▶ various projects commencing from the £19.2m Town Deal programme,
- ▶ and the installation of a 5G network.

## Colchester's Economic Profile



### WORKING AGE POPULATION

The working age population has grown by 8.3% over this time. It's also clear that considerable growth is taking place beyond the working age population, particularly in the older age groups.

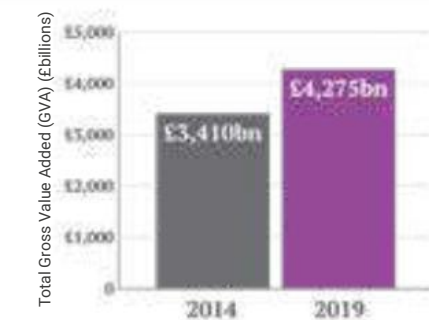


Source: Nomis ONS



### GROSS VALUE ADDED (GVA)

A measure of the Borough's total productivity. From 2014 to 2019 the Borough's GVA or productivity rose by 25.4%.



Source: EEFM



### INDICES OF MULTIPLE DEPRIVATION

The Indices provide a set of relative measures of deprivation for small local areas with an average of approximately 1,500 residents or 650 households across England. Colchester is characterised as having relatively low levels of deprivation.

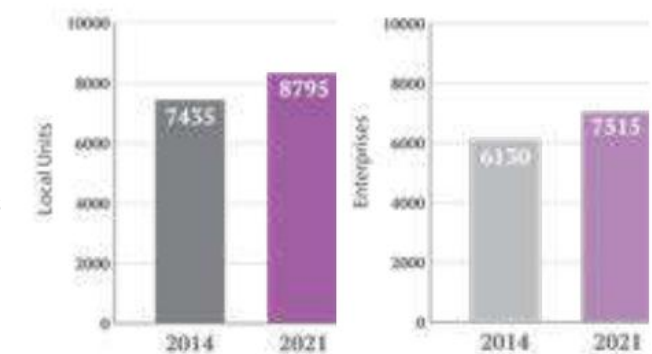


Source: Department of Housing Communities and Local Government, 2019



### NUMBER OF BUSINESSES

The difference between local units and enterprises can be explained by chain businesses. Tesco for instance is one business (enterprise) but has multiple units in Colchester (local units). There was an 18.3% increase in the number of local units over this period compared with a 22.6% increase in the number of enterprises.



Source: ONS



## Colchester's Economic Challenges



Our priorities will address the principal challenges the data and our engagement have highlighted. They are:

► **SKILLS GAPS** Colchester has lower levels of employees with higher level NVQs compared to the regional and national averages. Apprenticeships numbers are also falling. In addition, 17 neighbourhoods in Colchester are among the most deprived 40% in England for education, skills and training. Yet local employers have an increasing need for skilled employees who can adapt and flex as the needs of businesses change.

There is a rapidly increasing need for improved digital and tech skills, health and care skills and the need for innovation in delivering them. Colchester's strength in the creative industries combined with multi-million-pound investments in providing digital infrastructure and £1m training facilities at the former Wilson Marriage Centre provide a strong foundation to develop and retain these key skills.



The Business School at the University of Essex, providing highly skilled graduates into the workforce and helping companies through Knowledge Transfer Partnerships.



Woods Air Movement is a global player in building ventilation, fire safety and bespoke industrial projects.

► **POLARISATION OF INCOMES** The tourism, hospitality and care sectors which are strong in Colchester, tend to be lower paid compared to the higher paid work available to commuters to London. However, Colchester has an opportunity to attract more higher paid work through its investment in digital infrastructure and innovation in training opportunities. Projects such as the conversion of the old Bus Depot in St Botolph's Street into a £5.6m Digital Hub are intended to put Colchester on the leading edge of Artificial Intelligence, Augmented Reality and Virtual Reality technologies.

► **COMPETITION FROM OTHER PLACES** As well as the need to capitalise on Colchester's new status as a city, there is a need to invest in Colchester to further modernise its digital and transport infrastructure, provide more homes for a growing population, protect its appeal as a great place to live and work, and attract and retain businesses. Colchester is a strategic location for business in the region. Significantly, it also has well-located land available which adds to the inward investment

offer. However, businesses are facing difficult decisions to keep their business viable and to navigate their way through this challenging economic climate.

► **CLIMATE EMERGENCY** Businesses are facing the increasingly urgent need to meet the challenges of the climate emergency. The adaptations required to meet targets to decarbonise, as to capitalise on the opportunities these present, create a need for specialist business support. The Government's Ten Point Plan aims to support up to 250,000 jobs by 2030 for engineers, fitters, construction workers and many others engaged in supporting clean energy so there are significant skills gaps here too. The Government has announced over £5 billion to support a green recovery and enable the UK to meet the overall Government commitment to reach net zero emissions by 2050. Local consultation found businesses need help adapting to this agenda.



This Strategy acknowledges new economic realities at play. These compliment and challenge the traditional economy of companies and firms producing goods and services, employing people and needing skills, space, and land to do so:

- ▶ **Circular Economy** of recycling and upcycling
- ▶ **Sharing Economy** where purchase of new is replaced by the renting/ sharing/bartering and swapping of existing products
- ▶ **Local Economies:** economic impact of working from home, the potential for developing 'The 20 Minute Neighbourhood'
- ▶ **Online Economy** - last mile deliveries and 'Lockdown Entrepreneurialism'
- ▶ **The Gig Economy** - Traditional 9-5 jobs are declining and those that had them are leaving the labour market. Now we have the gig economy and portfolio incomes, especially for younger people. Previous strategies emphasised

core and growth sectors. However, The Pandemic has affected people; their ability to work, work productively and their future prospects across gender and age bands – so the socio-economic dimension needs to be included as does social value.

- ▶ **New forms of community power**, ownership and influence alongside the traditional private and public sector approach. Social entrepreneurship would include Community Interest Companies CICs, Social Enterprises VCSEs, Foundation Trusts – new forms of supply of products and services to meet demand from the community and beyond.



Colchester's e-cargo bikes capitalising on the rising demand for home deliveries and helping local independent businesses and the environment at the same time.

# Our Strategy

AN OVERARCHING VISION FOR COLCHESTER HAS BEEN ADOPTED:

**Colchester: unlocking our city's potential**

FOUR PRIORITIES HAVE BEEN ADOPTED:

## PEOPLE:

We support inclusive economic growth by encouraging business innovation, helping build the skills the local workforce will need to take advantage of future opportunities, and championing the Real Living Wage

### Where we will

- ▶ Identify and facilitate opportunities to promote innovation and new businesses.
- ▶ Work with partners and stakeholders to address skills shortages.
- ▶ Tackle inequalities by enabling local people to access and develop new skills.
- ▶ Sustain the local economy with high quality business support, information and guidance.
- ▶ Aspire to develop a higher wage economy.

## PLACE:

We use our resources, knowledge, assets and connections to leverage inward investment in the City, and facilitate improved infrastructure, including digital infrastructure.

### Where we will

- ▶ Identify and secure funding to enhance Colchester and boost the economy.
- ▶ Identify and pursue projects which support key sector development.
- ▶ Support and encourage inward investment.
- ▶ Develop a new Digital Strategy as a competitive edge and to enhance skills.

- ▶ Capitalise on Colchester's new status as a city.
- ▶ Understand the future infrastructure needs of a fast-growing place.

## PARTNERSHIPS:

We engage widely with partners and anchor institutions at the local, regional, national and international level to help Colchester capitalise on new opportunities for economic growth, jobs and infrastructure.

### Where we will

- ▶ Engage with partners to promote Colchester's economic interests.
- ▶ Support the work of partners in offering business support to enable recovery and growth.
- ▶ Help develop a more connected and influential place.
- ▶ Mobilise the role of Anchor Institutions in community wealth building.

## PLANET:

We work with partners to improve the environment of our place, accelerate the decarbonisation of Colchester economy and reduce the environmental impact of business activities.

### Where we will

- ▶ Support initiatives to enhance the quality of the environment.
- ▶ Help local businesses reduce their carbon emissions.
- ▶ Support development of local green technology businesses.
- ▶ Identify new economic opportunities from the emerging 'green economy'.



## PEOPLE

*There's a lot of people moving sectors right now. We are facing real difficulties recruiting and retaining staff. Skills development and keeping those skills in the business is a real priority for us now as we can't buy new people in as easily as before.*

## PRIORITY

We support inclusive economic growth by **encouraging** business innovation, helping build the skills the local workforce will need to take advantage of future opportunities, and championing the Real Living Wage.

## OBJECTIVES

- ▶ Identify and facilitate opportunities to promote innovation amongst local businesses and to attract cutting-edge businesses to the borough.
- ▶ Work with partners and stakeholders to develop a Skills Programme which will link the needs of businesses with the improved skills of local people.
- ▶ Sustain the local economy by retaining and developing existing businesses with high quality business support: information, advice and guidance.
- ▶ Tackle inequalities by enabling local people to access and develop new skills.
- ▶ Aspire to develop a higher wage economy.

CASE STUDY | THE COLCHESTER AMBASSADORS' GROUP

The Colchester Ambassadors' Group are a group of inspirational business people who run many of the borough's key organisations and share a vision and passion for the Borough. With members from industry together with representatives from education, the group is well-placed to understand the importance of acquiring and retaining skills in the workplace. This has been brought into sharp focus recently as the labour market is experiencing major supply issues as people move sectors, there are difficulties in recruitment and retention and new ways of

working are demanding rapidly changing skill sets. The Ambassadors' Group is working with Colchester Borough Council and its partners to establish strengths and existing work programmes which support the local skills pipeline. The task now is to identify a series of local actions which will meet the requirements of the imminent Skills and Post-16 Education legislation. It is hoped that this work will make it easier for local businesses to access the talent they need to recover and survive and improve local people's lives through improving their skills and prospects.

## By adopting this strategy we seek to:

▶ Address the key challenges Colchester's economy faces

▶ Build on the strengths and assets of Colchester's economy and its new status as a city

▶ Harmonise our work with partners and their strategies

▶ Help positively shape our Place

▶ Capitalise on the new opportunities for devolution contained in the Levelling Up White Paper

▶ Help businesses play their role

▶ Mobilise the opportunity around Colchester's anchor institutions

▶ Aspire to a higher wage economy

▶ Understand the future infrastructure needs of a fast growing place



## PLACE

“*The past 18 months has shown how Colchester is out-performing other places. We need to capitalise on this. Everything is here to make that happen now. We should be more confident about that.*”

## PRIORITY

We use our resources, knowledge, assets and connections to leverage **inward investment** in the City, and facilitate **improved** infrastructure, including digital infrastructure.

## OBJECTIVES

- ▶ Identify and secure funding to enhance our place and boost the economy (such as the Shared Prosperity Fund)
- ▶ Identifying and pursuing projects which support key sectors in the economy to emerge, develop and grow
- ▶ Support initiatives to encourage inward investment, especially on designated available land
- ▶ Work with partners to develop a new Digital Strategy which delivers competitive infrastructure to enable the growth of our borough and enables the development of digital skills of people within the workforce
- ▶ Capitalise on Colchester's new status as a city
- ▶ Understand the future infrastructure needs of a fast-growing place



Wivenhoe House Hotel: home to The Edge Hotel School, developing future leaders of the hospitality industry by offering valuable, practical experience of running a 4\* country house hotel whilst studying for a Degree

CASE STUDY | **THE TOWN DEAL** REGENERATION PROGRAMME

March 2021 saw Colchester awarded £19.2m from the Government's Town Deal regeneration fund. The bid was led by We Are Colchester, a group of local stakeholders and partners who worked with Colchester Borough Council to identify where the need was and develop a series of projects for the funding to address those needs.

Colchester's Digital Strategy was launched in 2017 with an ambition to further its economic growth plans through improving connectivity. The Strategy set out its intention to become the best-connected place in the Eastern region making it a magnet for creative, digital, technology and IT businesses. Capable of competing with the better-known tech clusters around the UK like Edinburgh, Cambridge and Bristol.

The Town Deal funding has a project stream which will deliver:

- ▶ **Queen Street Digital Working hub** – which will provide high quality, local workspace on the site of the old Bus Depot in Queen Street. This will help to nurture local talent and put Colchester on the international map for leading tech, digital and creative businesses.

- ▶ **Wilson Marriage Centre** – will be redeveloped as a digital skills hub. This will support training, development, provide access to digital facilities and offer community activities. This will give adults across Colchester increased opportunities to re-skill and re-train so as to be better able to meet the needs of local employers.

- ▶ **5G provision** – this massive leap in technological capability delivered through mobile phones will transform our lives even further. This investment will give Colchester a competitive advantage, encouraging employers into the town, new businesses to be set up and enabling existing businesses to exploit new business opportunities.

These projects will transform places in and around Colchester by making them more accessible, more supportive of their communities and make Colchester a place known for its leadership in digital connectivity.



## PARTNERSHIPS

“The pandemic has really brought home that business is about people and trust. It has brought home how vital partnerships are in delivering our own ambitions. We need to create, sustain and build on that virtuous circle.”

### PRIORITY

We engage widely with **partners and anchor institutions** at the local, regional, national and international level to help Colchester capitalise on new opportunities for economic growth, jobs and infrastructure.

### OBJECTIVES

- ▶ Engage with partners and anchor institutions such as ECC, NEEB, the University of Essex and the NHS to promote Colchester's economic interests in their work
- ▶ Support the work of local partners to ensure that information, advice, and guidance for the Borough's businesses is sustained to enable economic recovery and growth
- ▶ Help develop a more connected and influential place
- ▶ Mobilise the role of Anchor Institutions in community wealth building

## CASE STUDY | THE OUR COLCHESTER BID LEISURE RECOVERY STRATEGY

The Our Colchester Business Improvement District (BID) is a business-led partnership that enables coordinated investment in the management and marketing of a defined area. In Colchester's case it is the town centre and the BID has a membership of around 500 businesses. Recognising that the town centre has a 24-hour economy and the impact that the Pandemic is having on tourism, leisure and hospitality businesses, the BID led on the development of a Leisure Recovery Strategy.

The Strategy is based on research with residents, visitors, students, businesses, public bodies, voluntary organisations and other valued stakeholders. The plan includes core strategies, objectives, actions and progress indicators to support the recovery of the town's leisure sector over the next 5-10 years.

Plans are taking shape as the Strategy is in the final stages of formation but it's clear that many businesses will need business support to stabilise and navigate into recovery.

Connections are being made so that duplication of effort is spotted and stopped, ensuring that the right experience and advice is given at the right time. When combined with the ability to come together and mobilise quickly to apply for funding the essence of partnership working is at its most effective.

It is hoped that these interventions will help leisure businesses to take their place in Colchester's leisure economy, offering customers a wide choice of places to go, things to see and do which are such asset to the people who live, work and visit the Borough.

## PLANET

“Businesses are facing unprecedented pressures. They need hand-holding if they are to go greener, they can't do it by themselves.”

### PRIORITY

We work with partners to improve the **environment** of our place and accelerate the **decarbonisation** of Colchester economy.

### OBJECTIVES

- ▶ Support initiatives to enhance the quality of our environment
- ▶ Work with partners to support businesses to reduce their carbon emissions to achieve net zero goals
- ▶ Support the development of green technology businesses in the borough
- ▶ Identify new economic opportunities from the emerging 'green economy'

## CASE STUDY | THE RACE TO NET ZERO BUSINESS SUPPORT PROGRAMME

November 2021 saw the UK host COP26 – The 26th Conference of Parties to the UN Framework Convention on Climate Change. World leaders met negotiate international agreements to limit greenhouse gas emissions and global warming. But what can be done at local level?

Businesses are aware of the need for change and many are willing to make changes but Covid impacts are dominant currently and for many sectors it's about survival at the moment. Chains and large companies arguably have more capacity and are actively working for change than SMEs through their **Environmental and Social Governance policies** (ESG). But the majority of Colchester's businesses are small and micro enterprises who need support if they are to make meaningful change.

Colbea, the **Colchester Business Enterprise Agency**, has 40 years' experience in providing business support to Colchester businesses.

It is a well-respected organisation which has risen to the challenge of providing high quality business support, funded by CBC, over the past year. It has made a positive difference to Colchester's economic response to the pandemic and now it has the opportunity to do the same for green growth by providing a local business support programme which will take our SME business base through a targeted programme of positive environmental impact transition. It is hoped that this programme will enable local businesses to understand the scope of action needed, identify costs and savings associated with those actions, discover opportunities for new/ adapted products and services and target those markets which need them. Ultimately, reducing their environmental impacts across the board including waste, energy, materials, supply chain contributions, contract procurement competitiveness and carbon emissions in the race to Net Zero.



## A DEEPER DIVE INTO SOME ECONOMIC ASPIRATIONS FOR COLCHESTER



### Aspirations for a Higher-Wage Economy

The Minimum Wage came into effect in 1988. It is a legal requirement for those aged under 23. For those aged over 23 the National Living Wage applies. However, in recent years the concept of the Real Living Wage has emerged. This is an independent calculation of the cost of living based on a basket of household goods and services.

We recognise that employers are facing unprecedented cost pressures at the moment, but our ambition for Colchester is for a higher wage economy where all employers *that can afford to do so*, pay the Real Living Wage as a minimum.

Research from [The Living Wage Foundation](#) shows that adopting the Real Living Wage:

- ▶ improves company reputation
- ▶ enhances attractiveness when recruiting, especially in a competitive market
- ▶ increases motivation and staff retention
- ▶ is a point of difference from the competition
- ▶ improves relations between management and staff



### The Importance of Anchor Institutions in the Colchester Economy

Anchor Institutions are large, non-profit organisations which are the foundation of the local economy. Examples include local Councils, Universities and schools which have fixed assets, often employ local people and need substantial budgets to operate.

Anchor Institutions have a practical and leadership role in community wealth building through their procurement policies to benefit local businesses and places. They could redirect flows of wealth into locally rooted businesses which share the wealth they create with their employees, communities and consumers.

### Understanding the Future Infrastructure Needs of a Fast-Growing Place

The importance of infrastructure is highlighted in national planning policy and needs to meet the requirements set out in the National Planning Policy Framework and Planning Practice Guidance. This states that there's a need to engage with infrastructure providers and that plans should make sufficient provision for infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat) and community facilities (such as health, education and cultural infrastructure) and emergency services.

Colchester City Council will be undertaking an audit of infrastructure provision and identifying gaps in provision. This will help the Council and other stakeholders to understand and prioritise the allocation of resources, deliver services in future and prepare investment plans. It will also support future bids for funding.



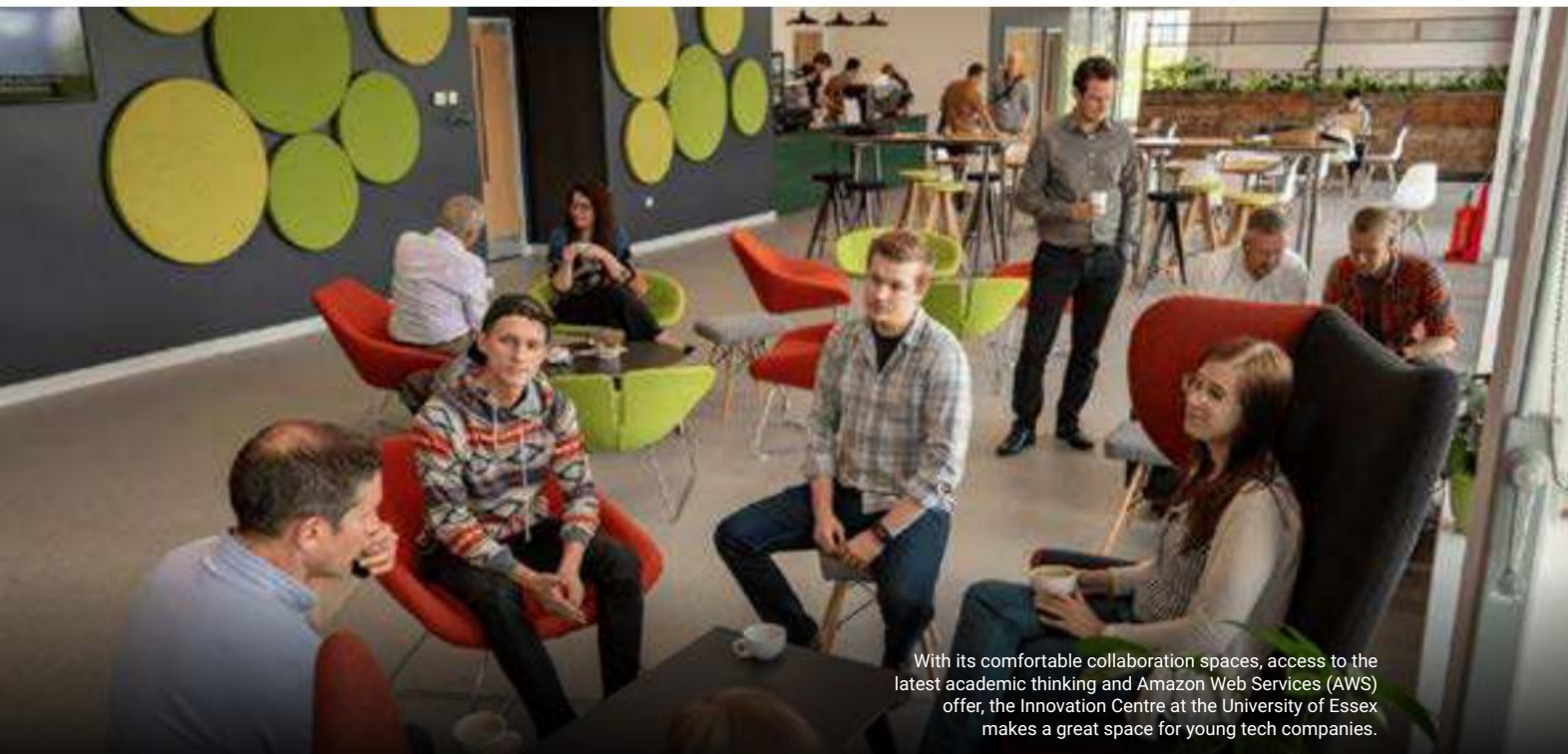


# How We Work

## Influences, Drivers and Partnerships

We work with partners from local to national and align with their strategies to achieve the **best for Colchester**. We use these strategies to help identify opportunities to attract investment for Colchester, often in the form of grants such as from the **Government's Towns' Fund**.

Nationally the **Government** plans to support economic growth through significant investment in infrastructure, skills and innovation and to 'level-up' ([Build Back Better](#)).



With its comfortable collaboration spaces, access to the latest academic thinking and Amazon Web Services (AWS) offer, the Innovation Centre at the University of Essex makes a great space for young tech companies.

Regionally, we work with the **South East Local Enterprise Partnership (SELEP)**. This is one of 38 LEPS, established to provide the vision to drive sustainable private sector-led growth and job creation. LEPS were set up by the Government to be the key body determining strategic economic priorities while making investments and delivering activities to drive growth and create jobs.

[Working Together for a Faster, Smarter and More Sustainable Economic Recovery](#)

We are an active member of the **North Essex Economic Board (NEEB)**. The NEEB is a partnership covering Braintree, Chelmsford, Colchester, Maldon, Tendring and Uttlesford districts, and Essex County Council. It aims to ensure the area can rise to the economic challenges and opportunities we face. Spanning 2020 to 2040, NEEB's ambitious strategy is the first bespoke economic strategy covering North Essex. Through the NEEB we have pooled resources to offer increased business support and skills training.

[North Essex Economic Strategy 2019](#)

**Essex County Council (ECC)** aims to stimulate growth in Essex over the next 15 years through its new Sector Strategy [ECC Sector Strategy](#)

It aims to:

- ▶ Make Essex a centre of **innovation** and **entrepreneurial** spirit where the benefits of this growth are felt within the county
- ▶ Create an **Economy for Everyone** - ensuring every resident of Essex has the opportunity to gain the skills and experience to succeed in the future economy regardless of their background and identity
- ▶ Shape an **Economy Fit for the Future** - centring green growth as intrinsic to all future growth to ensure we meet our target for a net-zero county by 2035

It identifies:

- ▶ **Enabler Sectors** - construction and digital
- ▶ **Heartbeat Sectors** - care, ageing population
- ▶ **Moonshot Stars** - predictors for growth: advanced engineering, manufacturing, space
- ▶ **Investment and market opportunities** what contributes to our district goals
- ▶ **Catalysts and caveats** - indirect benefits and supply chain impacts

[Colchester Borough Council's Strategic Plan 2020-2023](#)

The Council's key goals are:

- ▶ [Tackling the climate challenge and leading sustainability](#)
- ▶ [Creating safe, healthy, and active communities](#)
- ▶ [Delivering homes for people who need them](#)
- ▶ [Growing a fair economy so everyone benefits](#)
- ▶ [Celebrating our heritage and culture](#)
- ▶ [Achievements and next steps](#)

## HOW WE WORK



Drone technology being used to monitor crop production to help farmers increase yields.



Health and care is a growth sector in north Essex due to its ageing population. Partnerships are forming to meet the challenge and the potential commercial opportunity.



The strategy has been developed in partnership with stakeholders. As well as setting out our priorities, it is intended to offer a framework for partners to inform decisions and investments.

This strategy forms part of a web of strategies and programmes which all contribute to driving economic and community development. For example, actions to address specific issues in the Tourism and Hospitality Sector are threaded through the Cultural Strategy, the Leisure Recovery Strategy, the BID's emerging Retail Strategy, the emerging Inclusion and Diversity Strategy, the Town Deal Investment Programme and our Levelling Up Fund bid.

## Other contributing strategies and plans:

[The Our Colchester BID](#) – town centre promotion, business support and lobbying including the Leisure Recovery Strategy.

[Colbea Business Plan](#) – business support, advice and guidance, preparing companies to become greener, preparing companies for procurement opportunities, skills and employability training.

We Are Colchester [Town Deal Investment Plan](#) – place shaping and skills.

[The South East Local Enterprise Partnership \(SELEP\)](#) – is a partnership for growth between business, government, and education.

[The BEST Growth Hub](#) - Growth Hubs are government-funded, which enables them to provide support that is free at the point of delivery. BEST is the Growth Hub for Essex and works closely with Colbea to support local businesses.

[Local Transport Strategy](#) – ability to get to work or study.

[Anchor institutions](#) – are typically large, usually non-profit, public sector organisations whose long-term sustainability is tied to the wellbeing of the communities they serve. Anchor institutions can be galvanised to maximise economic benefit locally: jobs, skills, supply chains, procurement.

[Essex County Council Everyone's Essex Plan](#) and [South East Local Economic Partnership Skills Strategy](#) – integration and development in association with Colbea and employers.

[North Essex Economic Board Strategy / Success Essex Prosperity and Productivity Plan](#)

[Haven Gateway Partnership vision and objectives](#)

[The Colchester Ambassadors' Group](#)

[University of Essex](#) – international ambitions, talent retention opportunity, business development aspect through knowledge transfer partnerships.

[Colchester Institute](#) – skills pipeline for key sectors.

[Essex Chambers of Commerce](#)

[Federation of Small Business](#)

[ECC Joint Health & Wellbeing Strategy](#) – This public health strategy prioritises work that empowers people's ability to work.

Essex Employers [Family Friendly Charter](#). This charter commits organisations to develop and agree principles that govern effective family friendly employment practice across the county. Signatories will gain a charter-mark to them promote family friendly practice in the employment market and wider supply chains.

## COLCHESTER BOROUGH COUNCIL STRATEGIES, PLANS AND POLICIES

[Climate Emergency strategy and action plan](#)

[Communities Can](#) community enabling strategy.

North Essex Parking Partnership [Positive Parking Strategy](#) – affects Colchester's competitiveness as a place to shop, visit and work.

[Asset Management Strategy](#) – strategic land purchase for commercial (employment) use

[Housing and Homelessness Strategy](#) – security of tenure is a key factor in ability to work. Pandemic rent arrears and debt will increase poverty.

[Cultural Strategy](#) – importance in place shaping, image and reputation as well as quality of life in attracting families to invest their lives here (920 new homes a year), a different take on inward investment but arguably still valid.

[Colchester's Digital Strategy](#) - its impact on place competitiveness, new products, new markets, ability to work from home – inward investment opportunity.

[Licensing Policy](#) – affects business.

[Waste Vision and Strategy](#) – affects businesses

## COMMUNITY

Community Wealth Building: to include the [One Colchester](#) strategy, the [Livewell Campaign](#), the Suffolk and North Essex ICS [Integrated Care System](#) work, CBC's [Greenspace Strategy](#) for social prescribing and economic and social wellbeing.

The Mercury Theatre addressing skills shortages through helping young people with personal development and technical skills development so that more gigs, festivals and productions can take place around the region and beyond.



## Our Approach

At a time of limited resource for local government, we want to have as big a positive impact on Colchester's economy as possible. **We are open-minded to new opportunities, but our work is evidence driven.** We seek to make much more happen than we could directly do ourselves by working as envisaged in the Council's Communities Can approach:

- ▶ Constantly scanning the horizon to understand local need and what opportunities exist.
- ▶ Developing strong relationships to allow us to collaborate with others productively.
- ▶ Participating in effective partnerships to amplify the effect of our efforts.
- ▶ Encouraging partners to play to their strengths.
- ▶ Focusing on the borough's strengths rather than deficits to capitalise on opportunities.
- ▶ Using existing assets to leverage new investment, and
- ▶ Concentrating on our role as catalyst and facilitator rather than trying to 'do' everything ourselves.
- ▶ Understanding infrastructure needs around active travel, Ultrafast gigabit broadband infrastructure, 5G WiFi and the connectivity platforms required.



### WHAT WE DO

Influence

Collaborate

Partner

Research

Facilitate

Catalyse

Invest

In particular, we have developed strong and trusting relationships with local agencies such as the **BID** and **Colbea**; are active members of effective partnerships such as **One Colchester**, **We Are Colchester**, and the **North Essex Economic Board (NEEB)**; and are strengthening existing ties by agreeing shared priorities such as with our anchor institutions and particularly with the **University of Essex** through a new Civic-University Agreement.

## CASE STUDY | THE NORTH ESSEX ECONOMIC BOARD (NEEB)

– bridging the span between Government and District Councils through helping businesses when they need it most

Over recent years several councils across north Essex have been working increasingly closer together and never more so than during the Pandemic.

A strategic view was taken across the north Essex business landscape as Government grants came in during 2020/21. Realising that there would be a need to support businesses indirectly as they emerged into recovery, 10% of each district's grant fund was pooled to procure a variety of business support contracts across north Essex.

Each was put out to competitive tender and the Colchester Business Enterprise Agency (Colbea) was awarded five of these contracts. Ashleigh Seymour-Rutherford, Colbea Chief Executive, said: "Working with local councils to provide the best outcome for their businesses and residents is what we do best". "Colbea is delighted to be delivering a well-rounded and extensive suite of support and advice for new and growing business; we recognise that behind every business is a person needing the tools to succeed and we provide the space to work learn and grow."





## The training on offer is:

- ▶ **First Steps to Start-up Success** – an online comprehensive training course for those starting up or developing a new business. Split over two bite-sized sessions, this course takes you through the process of setting up and structuring your business.
- ▶ **Introduction to Finance** – an online course helping you to understand the fundamentals of finance and tax within your business.
- ▶ **Digital Skills** – six online sessions covering social media, project management, online sales, and your website.
- ▶ **Cyber Security** – an online session helping to protect you and your business from cyber threats and online fraud.
- ▶ **Import / Export Training** – six training courses available for those companies who are looking to start importing/exporting, or who are already in the industry and would like to enhance their skills.
- ▶ **Net Zero Business Support Programme** – offering a programme of business support activities to help SMEs across north Essex understand and lower their carbon emissions.

Most courses will be repeated throughout the year, so even the busiest schedules can be accommodated. Further information on all the courses will be available on the Colbea website: [colbea.co.uk/business-training](https://colbea.co.uk/business-training)

To complement the training courses, one-to-one advice sessions for those looking to start a business are also available with Colbea's expert advisors, as well as more specialised advice for the import/export sector.

Cllr Tom Cunningham, from the North Essex Economic Board, encourages businesses to sign-up for the support.

*"We are collectively funding this support because we know firms have had a tough time over the past two years, and the business landscape is ever changing,"* Cllr Cunningham said. *"There is so much opportunity in our growing area that we want to support local small and medium enterprises to really make the most of that – and what better way than to sharpen your skills and offer through this support."*

The North Essex Economic Board is also funding a skills programme, to ensure businesses can attract the right people to work for them, and other business support such as specialist sessions on key sectors.

## Implementation and monitoring

This **Economic Strategy** has a life span of **three years** and sets out our **high-level priorities**. Each year we will produce an action plan to detail how we will work to achieve these priorities.

We will use existing partnerships as well as convening project groups to pursue specific actions.

Particular **monitoring** arrangements are in place for some projects (such as for the Town Deal) and we will use these to monitor and report progress on them. Many of these are inclusive partnerships such as **We are Colchester**.

We will **support** annual surveys of local businesses to add local intelligence to quantitative economic data to understand emerging need, opportunities as well as the impact of our work.

On top of this we will **report progress** against each year's actions plan to senior managers and to the relevant Portfolio Holder.



## The Colchester Prospectus: a New City with Ambition and Potential

The conversation about Colchester has long been framed around the importance of its history and heritage. City status presents an opportunity to re-frame that conversation, to take a future view, to raise our gaze and discuss the kind of place it could and should be and how we might work with business to collectively realise its true potential.

## Colchester is:

### Extending and Intensifying its Enabling Digital Infrastructure

Colchester has long been a leader in investing in its digital infrastructure. The town has already secured more than £50m of government and private sector investment to build a large, open-access fibre network across much of the urban footprint. Gigabit connectivity is available in all the major residential and business clusters, with planned expansion closely interlinked with the exciting 5G and AR/VR programmes now taking shape.

Tim Robinson, Chief Executive of TechEast, the regional body responsible for accelerating growth of the digital and tech economy, said: *"Year after year 'team Colchester' is adding strategic new elements to its digital tech infrastructure and its new Angel network is already playing a key role in dealflow. As befits one of the UK's newest cities the range of digital skills support, startup incubators and plans for cross-sector innovation hubs is impressive and creates the conditions for the next wave of startups to form and then scale".*

Taking a view across these projects it's easy to see that Colchester has many of the ingredients fundamental to a tech cluster. A strong University majoring in computer science, data analytics, business leadership, incubation facilities at the Innovation

Centre on The Knowledge Gateway, a burgeoning creative sector and significant investment and delivery in a digital infrastructure.

It is also growing its own tech talent too and this, combined with flexible office space and significant housing growth and culture, heritage, sport leisure, shops, cafes, restaurants and bars and easy access to the coast and countryside, makes a compelling Colchester prospectus to attract further inward investment from all kinds of technology firms.

Such improved connectivity will enable the Internet of Things - devices and appliances connected together, 5G will bring much faster and more capable WiFi, improved cybersecurity, enable Blockchain technology development and sector specific tech developments.

But in the tech world it's often a breakthrough product which defines a link with its location. By nurturing and enabling tech start-ups and facilitating growth, skills and digital infrastructure Colchester is putting itself in a very strong position to become better known as a 'tech city.'

### An Investment Hot-Spot

Between 2015-21 an estimated £333.8m had been invested in Colchester by the private and public sector. They brought new jobs, new opportunities for learning, added choice, improved quality of the experience of living, working, studying and visiting Colchester and made it even more investable.

Confidence continues. June 2022 saw the announcement that Colchester would be the global base for the new The AIXR Centre for Immersive Innovation. This new centre will be built on the site of the former bus depot in Queen Street. It will become a world focus for all immersive innovations – the Metaverse

Formed in Colchester by Daniel Colaiani, who studied at the University of Essex, AIXR is an internationally respected

voice in the immersive industry. It is associated with global tech giants like Google, Microsoft, Oculus, hp, and Nvidia. Its purpose is to educate the world about XR – extended reality (an umbrella term for all immersive technologies), and what it can do for business.

The new centre will see Colchester as a global focus for all immersive Innovations in the XR industry and will form AIXR's base of international operations, institutionalising the technology for decades to come. It will be one central location, open to all within the community who want to learn about XR, grow within XR and connect with the most passionate people within the immersive world.





## Designing New Places Offering a Blank Canvas for Business

**The Tendring Colchester Borders Garden Community (TCBGC)** is a joint project between Tendring District Council, Colchester Borough Council and Essex County Council. Given the national shortage of housing, Garden Communities are planned new communities designed to meet anticipated local growth, which will be a sustainable and attractive place to live, work and visit. The TCBGC is based on the Garden Community principles.

The Garden Community will be delivered through a genuine partnership approach between the public and private sectors, where risk and reward are shared and community empowerment enabled. The plan is for 7,500 – 9,000 homes (to be built over many years out to the 2050s), and is part of a long-term vision of Colchester and Tendring in partnership with Essex County Council to help meet the future growth of the area in a more strategic way.

A new Garden Community provides the opportunity to develop a community of sufficient scale to deliver and be served by new schools, health facilities, and job opportunities with good public transport links to existing town centres and employment areas.

The Covid-19 pandemic has introduced fundamental shifts to working patterns

that can be expected to result in lasting increases to home working and the need for supporting services in nearby centres. The Garden Community model is well-suited to support these new ways of working and we will provide high speed and reliable broadband to enable this.

The Garden Community is also well located, with the University of Essex nearby as well as international gateways with Stansted Airport and the ports at Harwich and Felixstowe along the A120 corridor. The TCBGC includes an allocation of 25 hectares of employment land and economic assessments have shown the equivalent of one job per new home built in the Garden Community is achievable. The 'one job per household' refers to both jobs within the Garden Community itself and within a sustainable commuting distance, so the employment area is wider than just the Garden Community.

And with new growth locations at the University of Essex's Parkside development at The Knowledge Gateway and at Colchester's Northern Gateway with easy access to the A12 trunk road and multiple opportunities to develop in the city centre, Colchester offers great choice for business location.







## Building New Homes for a Growing Population

Colchester's ambition continues around housing and has seen more new housing completions than any other of the 13 Local Authorities in Essex.

Colchester's build rate reflects the Council's willingness to work with developers to bring schemes forward. This growth will continue with a further 920 new homes a year being built out to 2033.

But it's not all about the numbers. There is a concern also to ensure quality of place so that communities can emerge and develop solid foundations too. With an Adopted Local Plan, a visionary approach to developing the new Tendring/ Colchester Borders Garden Community and a commitment to developing affordable housing and a high quality of life, Colchester offers a strong housing offer for people to invest their lives here.



## Investing in Skills Development

Colchester is working with partners in education and business to help build the skills the local workforce needs to take advantage of personal opportunities in the future and to enable businesses to compete effectively.

A known gap nationally is IT and Digital Skills and Colchester will be delivering a new:

- ▶ Digital Working Hub and grow-on space for the creative industries at the new AIXR Centre for Immersive Innovation in the old bus depot in Queen Street
- ▶ Digital Skills Hub - developing the Wilson Marriage Centre to offer improved and transformed digital adult learning opportunities
- ▶ A range of projects funded by the Shared Prosperity Fund to address sectoral skills needs

As well as offering a series of management and business training through the Colchester Business Enterprise Agency it is hoped that this will help to:

- ▶ Upgrade skill levels
- ▶ Offer more career choice for local people
- ▶ Provide a supply of talent to local businesses
- ▶ Raise wage levels in the local economy
- ▶ Enable local businesses to innovate and compete for business

## Increasing Business Support

Developing new spaces for businesses to grow to retain skills and talent to help businesses face the challenge and opportunity of growth, especially in the creative and digital sector. The new AIXR Centre for Immersive Innovation in Queen Street will also offer larger spaces for business as well as access to latest technologies.

The Colchester Business Enterprise Agency and other support organisations are working to enable businesses to access information, advice and guidance in ever new ways to enable businesses to survive, recover and compete effectively.

## Improving Transportation Links

Unlocking the full economic potential of transport corridors to improve access into and out of London.

- ▶ A120 Haven Gateway - London Stansted Airport - Harwich
- ▶ A12 Brentwood - Chelmsford - Colchester
- ▶ Great Eastern Mainline Rail improvements

Find out more about how Colchester can help your business to meet your aspirations.  
Contact: [karen.turnbull@colchester.gov.uk](mailto:karen.turnbull@colchester.gov.uk) Tel: 01206 282915.

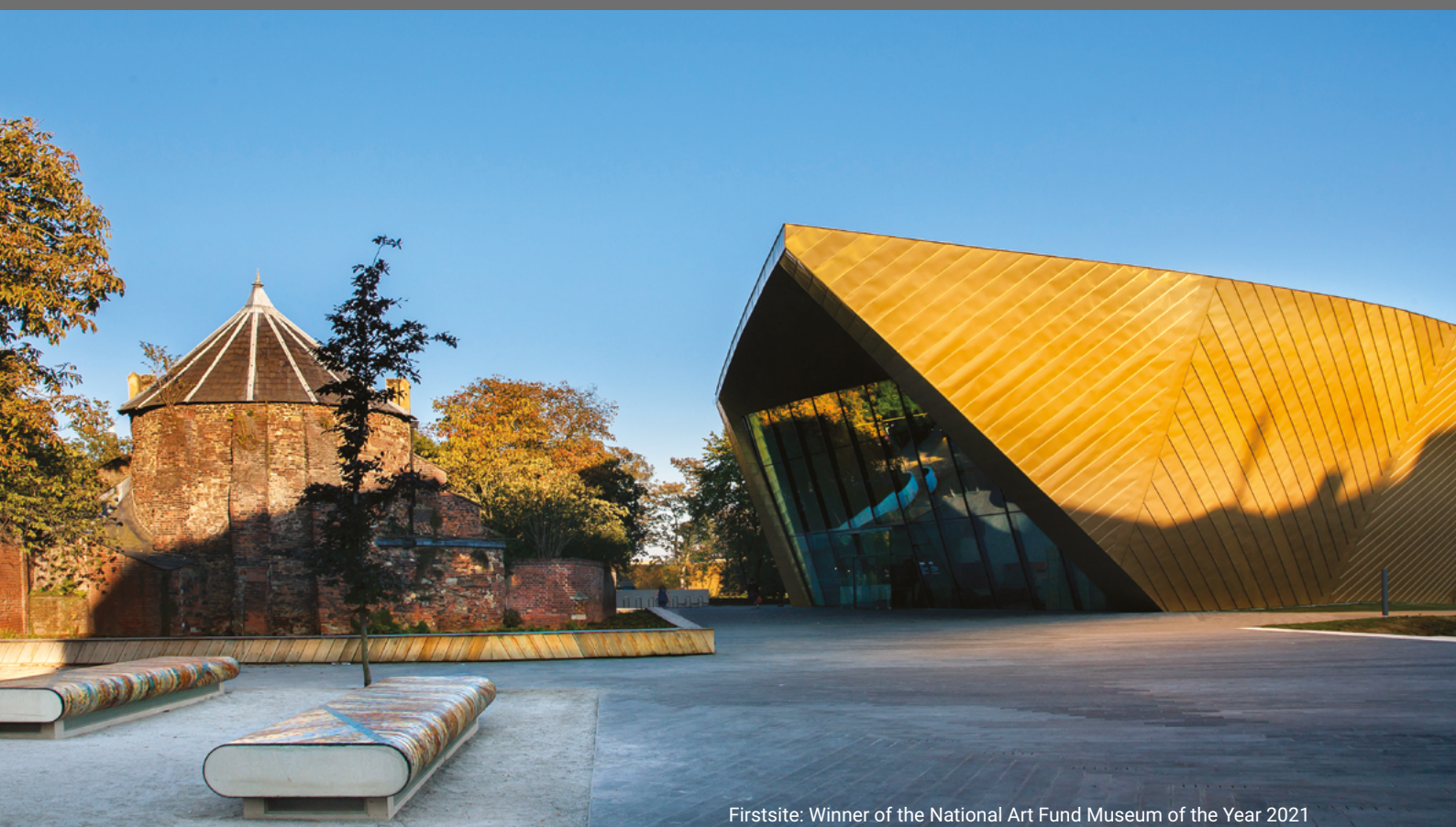
Colchester Borough Council  
Economic Development  
[www.colchesterultraready.co.uk](http://www.colchesterultraready.co.uk)  
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Summer 2022





# COLCHESTER'S ECONOMIC STRATEGY

# DATA DIGEST



Firstsite: Winner of the National Art Fund Museum of the Year 2021

# 2018-22



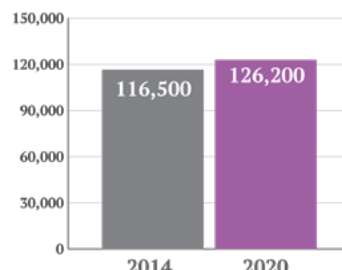


# Data Dashboard of Colchester's Economy



## WORKING AGE POPULATION

The working age population has grown by 8.3% over this time. It's also clear that considerable growth is taking place beyond the working age population, particularly in the older age groups.

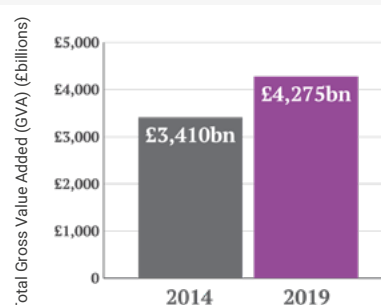


Source: Nomis ONS



## GROSS VALUE ADDED (GVA)

A measure of the Borough's total productivity. From 2014 to 2019 the Borough's GVA or productivity rose by 25.4%.

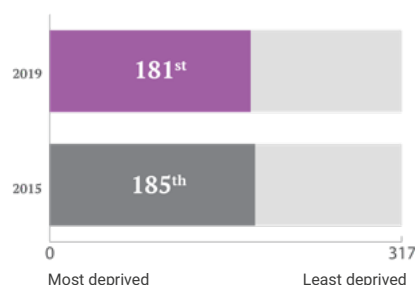


Source: EEFM



## INDICES OF MULTIPLE DEPRIVATION

The Indices provide a set of relative measures of deprivation for small local areas with an average of approximately 1,500 residents or 650 households across England. Colchester is characterised as having relatively low levels of deprivation.



Source: Department of Housing Communities and Local Government, 2019



## NATURE OF BUSINESSES

**93%** are Colchester's businesses are micro/small enterprises (with under 50 employees)



## NUMBER OF BUSINESSES

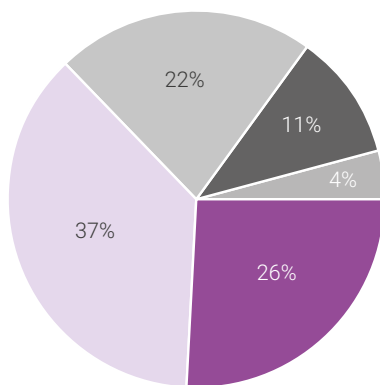
The difference between local units and enterprises can be explained by chain businesses. Tesco for instance is one business (enterprise) but has multiple units in Colchester (local units). There was an 18.3% increase in the number of local units over this period compared with a 22.6% increase in the number of enterprises.



Source: ONS

# Key Statistics from Colchester Businesses

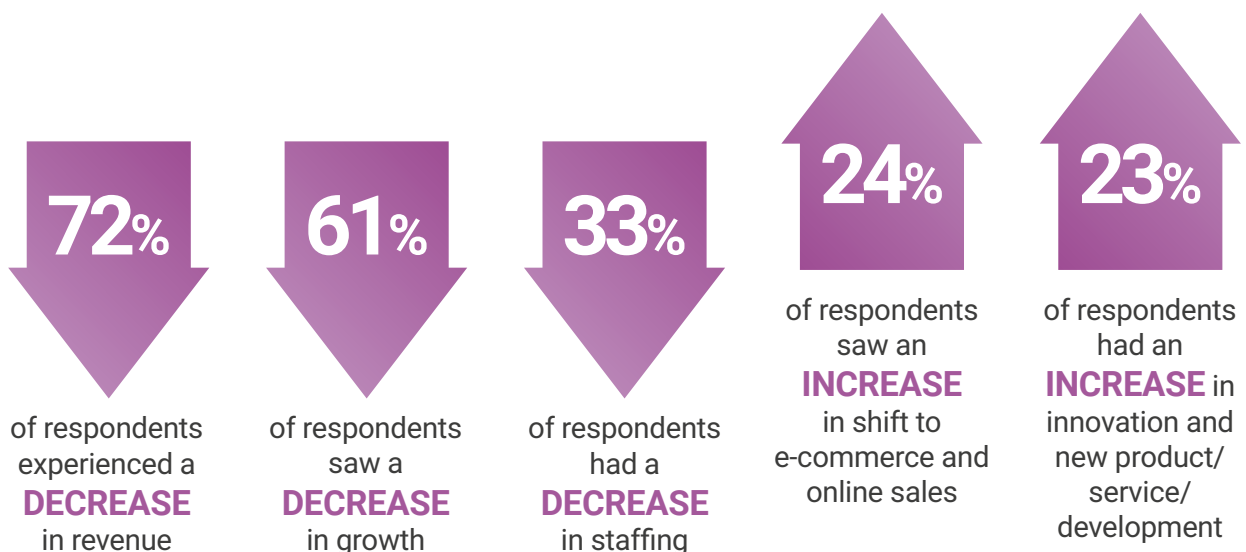
Consultation with businesses in September 2021 revealed that Covid has impacted the economy by driving change to business models and working practices but there is still confidence in Colchester as a place to do business.



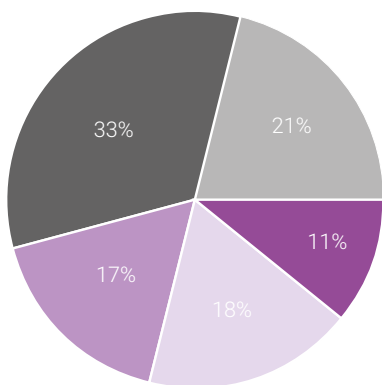
## CHANGES TO BUSINESS MODELS

- ▶ **26%** of respondents made **NO** changes to their business model
- ▶ **37%** of respondents made **MINOR** adaptations to products offered, markets targeted, and distribution channels
- ▶ **22%** of respondents made **SIGNIFICANT** adaptations to products offered, markets targeted and distribution channels used
- ▶ **11%** of respondents had to take a **MAJOR** new approach to products, markets and distribution
- ▶ **4%** of respondents introduced a **NEW** model with new products, markets and/or distribution channels

## OTHER EFFECTS ON BUSINESS IN THE YEAR TO SEPTEMBER 2021

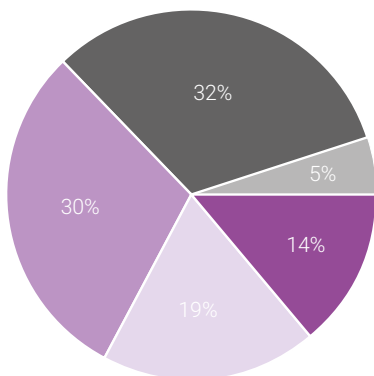






## CONFIDENCE AROUND BUSINESS RECOVERY (and this picture also reflected confidence levels around sector recovery)

- ▶ 11% of respondents said **NOT AT ALL CONFIDENT**
- ▶ 18% of respondents said **SLIGHTLY CONFIDENT**
- ▶ 17% of respondents were **NEUTRAL**
- ▶ 33% of respondents said **FAIRLY CONFIDENT**
- ▶ 21% of respondents were **VERY CONFIDENT**



## CONFIDENCE AROUND THE RECOVERY OF THE LOCAL ECONOMY

- ▶ 14% of respondents said **NOT AT ALL CONFIDENT**
- ▶ 19% of respondents said **SLIGHTLY CONFIDENT**
- ▶ 30% of respondents were **NEUTRAL**
- ▶ 32% of respondents said **FAIRLY CONFIDENT**
- ▶ 5% of respondents were **VERY CONFIDENT**



## TOP 6 CONCERNS FOR LOCAL BUSINESSES

(@ September 2021, before the Ukrainian invasion)

FINANCIAL: REVENUE, CASHFLOW, COSTS	AVAILABILITY OF STOCK, MATERIALS, SUPPLY CHAIN ISSUES	FURTHER COVID OUTBREAKS
RECRUITMENT, RETAINING, SUPPORTING AND TRAINING SKILLED EMPLOYEES	OLD CUSTOMERS RETURNING/FINDING NEW CUSTOMERS	PEOPLE RETURNING TO THE HIGH STREET/ TOWN CENTRE

# Sector Specific Drivers for Growth

Colchester has four main growth sectors and four core sectors which have seen significant investment over the life of the current Economic Growth Strategy, eg: new hotels in the tourism sector, or have planned investment through the Town Deal, eg: the Digital Hub in the former Bus Depot in Queen Street.

► **GROWTH SECTORS:** construction, creative and digital, alternative energy and health and care

► **CORE SECTORS:** advanced manufacturing, financial services, retail and tourism

ECC's emerging Sector Development Strategy (2022) identifies five sectors with significant growth potential that could be realised in the county. They are: Construction and Retrofit; Clean Energy; Advanced Manufacturing & Engineering; Digitech; and Life

Sciences (including med-tech and care-tech)

Colchester's, strong cultural sector and visitor economy will also have an important role in building the profile of north Essex as an attractive place to visit, live, and do business to secure inward investment. Colchester's significant investment in the future development of 5G and Ultrafast Broadband will place it at the forefront of the tech opportunities identified within many of these sectors below.



## CONSTRUCTION:

### KEY DRIVERS OF SECTOR GROWTH WILL BE:

- **HOUSEBUILDING TARGETS** – ECC forecast over 40,000 houses will be built in Essex over the next five years, with the construction of six new garden communities over the next 15 years adding 55,000 on top of a further 93,000 homes allocated in local plans up to 2036. Colchester has an annual target to build 920 new homes a year to 2033 including the new Tendring/Colchester Borders Garden Community.
- **MAJOR INFRASTRUCTURE PROJECTS** – there are a number of significant projects both within the county and nearby that will drive demand in the sector, including the Lower Thames Crossing; and the creation of two new freeports at Freeport East (Harwich/Felixstowe) and Thames Freeport (London Gateway, Tilbury and Dagenham). Colchester has significant infrastructure investment planned or in delivery, including the £19.2m Town Deal investment plan and the £48m investment in digital infrastructure.

- ▶ **CLEAN ENERGY** – there are a number of important offshore wind projects that will draw on the construction sector such as Harwich (North Falls and Five Estuaries) and a number of solar opportunities throughout the county.
- ▶ **RETROFIT** – there is an estimated £1-1.75b economic opportunity to deliver retrofit across Essex.



## **GREEN ENERGY:**

### **KEY DRIVERS OF SECTOR GROWTH WILL BE:**

- ▶ The UK holds a leading global position in offshore wind capacity and the sector is expected to experience significant growth, with increase in demand for workers and skills ahead of the government's goal of 40 gigawatts (GW) of offshore wind by 2030.
- ▶ By 2026 nationally, the sector could employ around 70,000 workers (40,000 direct jobs and 30,000 jobs in the supply chain) compares to around 26,000 presently.
- ▶ The government's Net Zero Strategy: Build Back Greener sets out the ambition for:
  - ▶ Supporting up to 59,000 jobs in 2024 and up to 120,000 jobs in 2030 across all elements of the sector, from innovative hydrogen production to offshore wind, as well as mobilising additional public and private investment of £150-270 billion
  - ▶ Deliver 5 GW of hydrogen production capacity by 2030, whilst halving emissions from oil and gas
  - ▶ Fully decarbonising the UK's power system by 2035

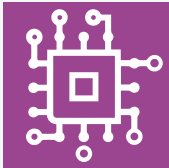


## **ADVANCED MANUFACTURING:**

### **A GROWTH SECTOR AS WELL AS AN ENABLING SECTOR**

- ▶ Essex has a rich history in engineering and manufacturing electronic devices, especially complex ones. Today Essex boasts a burgeoning and growing sector which specialises in the manufacture and use of different electronics used in space, from solar panels on the Hubble Space telescope to sensors and items used on the Mars rover. Colchester's long history of manufacturing is evolving to meet new opportunities. For example: Rapid Electronics is diversifying into supplying charging infrastructure for electronic vehicles through its subsidiary, Replenishh.
- ▶ The sector will be crucial to help build a more resilient and self-sufficient Essex economy to enable and support the planned growth in green energy, construction and retrofit sectors.
- ▶ The space industry is an important sub-sector for Essex with significant potential opportunities – the UK Government has an ambition to capture 10 billion of the global space industry by 2030, worth an estimate £40 billion per annum, and the Knowledge Transfer Network (KTN) and UK Space Agency have already identified a number of Essex businesses which are already operating within the sector.

- ▶ Essex is ideally placed to exploit the opportunity and create future sector growth, growing existing businesses, creating new highly paid and highly skilled jobs and attracting new businesses from UK and overseas to locate in Essex aligning with the strength of the space and satellite applications Sector.
- ▶ Essex-based space businesses play a key role in monitoring and predicting climate change; providing key components for the Copernicus and CO2m programmes which measure the levels of CO2 on earth. A future growth industry is predicted: businesses report on emissions, Essex is primed as one of the world's leading places to manufacture the sensors to enable this.



## DIGI-TECH:

### A GROWTH SECTOR AS WELL AS AN ENABLING SECTOR.

Industry 4.0 is driving demand for digital applications and software in traditionally offline industries. There are unique opportunities in some areas for Essex, in particular:

- ▶ Agri-tech – North Essex has a strong potential for growth in agri-tech, with a focus on agricultural use of land for food production and other uses. The University of Essex has developed partnerships with leading academic research centres, and recently opened the EPIC (Essex Plant Innovation Centre) which focuses on research in a broad range of plant science areas, including agri-tech (such as agricultural robotics which are being piloted at Wilkins in Tiptree).
- ▶ Digital health and care – There are wide ranging applications of digital technologies to support patients, clinicians, and non-clinical staff. Colchester is a hub for care services firms and ECC through its statutory role for social care can use this to leverage public investment to develop and deliver care-tech enabled services. Essex County Council has already established a new care-technology partnerships, and both University of Essex and ARU carry out research in this area. There are a number of examples of existing and developing digital technologies that could also bring benefit for Essex businesses, such as:
  - ▶ The internet of things – digital solutions beyond a single element or individual task, integrating into existing systems, linking them up with computers calculating the optimal processes, alongside the potential to automate those processes with robotics
  - ▶ Artificial intelligence (AI) – helping businesses across all industries to gain automated insights from complex data sets faster than in the past, enabling end-to-end efficiency, improved accuracy, and decision-making
  - ▶ Quantum computing – will play an increasing role in powering machine learning systems and AI platforms to better improve, understand, and interpret large datasets and calculations.





## LIFE SCIENCES (INCLUDING MED-TECH AND CARE-TECH): KEY DRIVERS FOR GROWTH WILL BE:

- ▶ Care and care-tech are important areas for whole-system partners such as the NHS. We have an ageing population and want to ensure that they can age and live well. Care and care-tech are an important part of that and represent real opportunity as well as challenge for the county. Colchester Borough Council is currently working with partners to explore the concept of a Care Tech and Med Tech testbed facility. This would enable researchers and entrepreneurs to test and develop new Care Tech and Med Tech products in an actual care-giving environment or range of environments.
- ▶ Essex has a rich history of developing, commercialising, and manufacturing key components and products for the med-tech sector. Building on these strengths there is a growing demand for med-tech products for diagnostics, digital health, and assisted living support that could be capitalised upon in the county. For example, home diagnostics is a burgeoning market, fast gaining popularity in a world battling the Covid-19 pandemic.
- ▶ The aging population and prevalence of chronic diseases have resulted in rising demand for home healthcare services in the UK.
- ▶ According to UK's Office for National Statistics (ONS), It is projected that there will be an additional 7.5 million people aged 65 years and over in the UK in 50 years' time.



# Five Wider Economic Issues Facing Businesses Today

1

**CLIMATE CHANGE** – Climate change affects most business operations from energy and water consumption, waste generated, consumer demand, supply chain procurement requirements and availability of raw materials among others. Research in 2019 by Deloitte revealed that there is an increasing pressure to act from a broad range of stakeholders:



- ▶ companies' climate responses focus mainly on measures that have a short-term cost-saving effect
- ▶ a thorough understanding of climate risks to the business is rare
- ▶ few companies have a governance, steering and monitoring mechanisms in place to develop and implement comprehensive climate strategies
- ▶ targets for carbon emission reductions are usually not aligned with the Paris Agreement

**Closer to home a study commissioned by the British Business Bank (2022) revealed that:**

- ▶ almost half (44%) of key decision makers at small firms believe the terminology and information around emissions reduction is overcomplex.
- ▶ more than half (58%) said they would find more information and advice about taking action to measure and reduce their business' carbon emissions helpful, while
- ▶ 42% want advice on measuring their carbon footprint.
- ▶ just under half (48%) do not know which information sources on reducing their carbon emissions to trust.

2

**GLOBAL PANDEMIC** – The Covid-19 pandemic has affected businesses and the local economy in a range of ways. Three national lockdowns in addition to more cautious behaviour by the public has had a significant adverse effect on footfall and custom. Changed migration patterns during the pandemic have affected labour supply, particularly key roles such as HGV drivers, in the hospitality sector, and seasonal workers. Changes to working patterns, such as an increase in home-working, presents businesses with both challenges and opportunities.



The easing of restrictions, whilst attractive to hard-hit sectors like aviation, have come with their own complications, with a rise in staff absence due to Covid infections leading to some airlines cancelling flights for example. Similarly, it is affecting the ability to service customer facing businesses such as tourism, retail, leisure and hospitality; sectors which were also worst hit during 2020/21.

3

### RUSSIA'S INVASION OF UKRAINE

Russia's invasion of Ukraine is adding to existing issues within global supply chains resulting from the pandemic, and other factors. It is affecting industries ranging from semiconductors to cars and food. Locally, Fairfield Crisps for instance, relied on Ukrainian rapeseed oil to produce its crisps and now sees the price of this oil and any substitute oils rising dramatically. The war may accelerate the shift from global to regional sourcing. But given China's dominance in manufacturing especially, the shift will only happen gradually and will require Government support. If further sanctions are introduced in response to pressure to manage the use of Russian oil and gas, the UK economy would continue to grow but the pace of growth would be significantly slower.



4

### BRITAIN'S EXIT FROM THE EU

Whilst other economies are seeing recovery from the pandemic in terms of exports, the UK is lagging behind. The Office of Budget Responsibility states that world exports are recovering from Covid growing 8.2%, while the UK has fallen 14% in 3 months to January 2022. EU exit affected trade with the EU. It has also affected labour supply as many EU nationals are not now working in the UK. The OBR claims UK productivity will be reduced by 4% over next 15 years.





## **BUSINESS COSTS** – UK businesses face double challenge of rising costs and lower sales (as at April 2022)



**ENERGY** – A fortnight into the Russian invasion of Ukraine and gas and oil prices peaked over 200% and 50% above their end-2021 levels respectively. Prices have since fallen back but remain well above historic averages. (Office of Budget Responsibility, March 2022)

**INFLATION** – If wholesale energy prices remain as high as markets expect, energy bills are set to rise around another 40% in October 2022, pushing inflation to a 40-year high of 8.7% towards the end of this year. Higher inflation will erode real incomes and reduce consumption, cutting GDP growth this year from the 6.0% originally forecast last October to 3.8%. With inflation outpacing growth in earnings and tax rises taking effect, real living standards are set to fall by 2.2% in 2022-23 – their largest financial year fall on record – and not recover their pre-pandemic level until 2024-25. This will affect consumer and business to business demand from Colchester's companies and beyond. (Office of Budget Responsibility, March 2022)

**TAX RISES** (The Chancellor's Spring Statement March 2022) – more future focussed than immediate support, lack of clarity around self-employed and non-premises based businesses and little to stimulate consumer demand which would help business cashflow, profitability and the ability to invest in the business for future growth.

- ▶ The 1.25% increase in National Insurance contributions from April 2022 is actually 2.5% for employed owner/managers paying PAYE as it applies to both employer and employee contributions.
- ▶ Business Rates – The Chancellor re-iterated the 50% business rates discount for the retail, leisure and hospitality sector as of 1 April but with a cap of £110,000 per company.

**THE UK LABOUR MARKET** – Staff costs rising due to skills and staff shortages (Bank of England, April 2022). The UK labour market has been buffeted by large changes in supply and demand as we emerge from the pandemic.

- ▶ **Labour supply falling** – There are around 350,000 fewer people in the labour market due to changes in work and life preferences as a result of the pandemic. Inward migration has also fallen, either as a result of the pandemic or Brexit. Migration data over the past two years suggest that net migration into the UK fell to around 35,000 people in 2020, compared to more than 250,000 in 2019.
- ▶ **Labour demand rising** – the pandemic increased the demand for labour in some sectors, particularly health. The number of employees on payrolls is now some 700,000 higher than before Covid, half of which are in health, social work, education or public administration. Some of this reflects a shift away from self-employment.



- Overall, the picture in the labour market coming out of Covid is a story of weak labour supply and strong labour demand which is pushing pay rates up and therefore adding to business costs. Pay has been growing faster than pre-pandemic rates since the final quarter of 2020. In the three months to January 2022 whole economy total pay grew at 4.8%, with private sector regular pay – perhaps a better measure of labour market strength – growing at over 4%. The majority of firms are likely to pass at least some of these increases into prices over the coming year, which will add to inflationary pressures.

**SUPPLY CHAIN COSTS RISING** – Manufacturers are indicating that ongoing supply shortages, greater caution among clients, escalating inflationary pressures and geopolitical tensions are all hampering economic recovery. There were also slower upturns in both stocks of purchases and employment and a lengthening of average supplier lead times. At the same time, input prices rose for the twenty-eighth consecutive month, with the rate of increase hitting a three-month high. Finally, business confidence fell to a 14-month low amid concerns about rising geopolitical tensions, inflationary pressures and labour shortages. (Markit Economics for the UK Purchasing Managers' Index, February 2022)





**Extract from the minutes of the Governance and Audit Committee meeting of 22 November 2022**

**336. Colchester Commercial Holdings Limited Annual Report for 2021/2022**

Councillor Smith, Chair of the Committee, indicated that it was his intention to deal with this item first, and not in the order published in the agenda, to the unanimous agreement of the Committee. Accordingly, the Committee considered a report setting out the performance summary and activities of the Council's wholly owned commercial companies during the fiscal year for 2021/22.

Pam Donnelly, Chief Executive of Colchester Borough Council (the Council), attended the meeting and addressed the Committee. She wished to make sure that the Committee was aware that Paul Smith, the Managing Director of Colchester Commercial Holdings Limited (CCHL), had decided to retire, and would be leaving his role towards the end of February 2023. There were potential risks associated with any senior member of staff leaving a commercial organisation and, with the support of Cabinet, a risk assessment would accordingly be prepared to identify any areas which needed to be addressed. Additionally, the recent Peer Review had recommended that a full independent and external review of the operation of the Council's wholly owned commercial companies be undertaken, and accordingly an external company had been appointed to carry out this work. It was anticipated that further a further update would be able to be provided to the Committee after January 2023.

Councillor Warnes, Chair of the Board of Colchester Commercial Holdings Limited (CCHL) attended the meeting and addressed the Committee. The Committee was invited to review the performance of CCHL and its subsidiaries as shown in the annual report which was presented to it. The Committee was also invited to make any recommendations to Cabinet in respect of CCHL for the financial year 2022/2023 or beyond. Over the past year, the dividend figure achieved by CCHL had been £172,000, although the continued impact of the Coronavirus pandemic, and issues with construction industry supply chains and the war in Ukraine had also affected this figure. In addition to this dividend, CCHL generated other income for the Council in the form of rents for office space and other services as defined by the various Service Level Agreements (SLA)s in place. CCHL was able to access funding streams which were not available to public sector organisations, and work in partnership with the Council on projects which benefited from combined funding streams. Risk assessments for CCHL and its subsidiary companies were maintained and regularly reviewed by the Board, and it was considered that a key risk was that attached to the delivery of income targets, both capital and revenue, and management costs. These risks would be actively managed through monitoring and reporting through the governance arrangements which were in place.

It was considered that CCHL had delivered many successes over the past 12 months, including:

- completed delivery of a full fibre broadband network in support of the Council's 2017/2022 Digital Strategy, together with the establishment of Colchester Fibre to provide and operate an ambitious commercial broadband programme across the borough
- Support for the Council's green agenda, including the appointment of a contractor for the design and build of the proposed low carbon district heat network. Additionally, feasibility work had been completed for development of a microgrid to provide electricity generated from a proposed 4.5 megawatt PV solar farm, and the Helpline service had taken delivery of a new fleet of hybrid electric vehicles
- there had been a full upgrade and extension of the town's high definition digital closed circuit television (CCTV) system, increasing the coverage and clarity of footage
- improvements to the public realm, including the new Stanway Community Centre, and the creation of a new and accessible public square at Balkerne Gate
- Amphora Events had put on over 500 events, attracting over 125,000 visitors, and Colchester Weddings had seen increased demand for its services, buoyed by the relaxation of lockdown restrictions
- The Estates Team had continued to identify and secure assets management initiatives and negotiate land and property disposals and acquisitions to bring in substantial total capital receipts to the Council. The team was also advising on Touchstone Estates new £65m commercial leisure development on the Northern Gateway site, the largest leisure development of its kind currently being built in the country.

The Committee was assured that CCHL would participate fully in the forthcoming independent review of its services, to help the Council assess whether the companies were realising the benefits they were established to deliver.

Alistair Wilson, Senior Commercial Manager Colchester Commercial Holdings Ltd, attended the meeting and provided the Committee with a presentation containing a review of the activities of CCHL for the financial year 2021/2022, together with an overview of the current financial year 2022/2023. Future business plans were being finalised, but would be subject to the outcome of the external review of CCHL which was to be carried out.

The key achievements of the Amphora Group were highlighted in the Annual Report which had been presented to the Committee, and the Committee's attention was drawn to the wider benefits of the Amphora Group which were not necessarily reflected in the dividend which had been provided, but could be seen, for example, in the large number of people from outside the borough who had been drawn to events that had been provided. Additionally, there had been a 65% uplift in arrests made due to the increased quality of the CCTV footage now available to the police, together

with 23% more incidents detected in the town centre, serving to make the town centre a safer place to visit.

Michael Woods, Energy Manager, Colchester Amphora Energy, attended the meeting and addressed the Committee. The Committee heard that Colchester Amphora Energy company was set up to develop the heat network as part of the Northern Gateway development. A long tender process to appoint a company to deliver this project had been completed, and additional work was being undertaken to develop a microgrid with battery and solar storage.

Alistair Wilson advised the Committee that the major achievement of Colchester Amphora Homes during the financial year 2021/2022 had been the completion of work at the Council's Creffield Villa site, delivering 6 apartments, including 2 which were affordable rent. Redevelopment of property at Military Road had also been progressed to deliver 6, 1 and 2 bedroom apartments and 2 new 2 bedroom houses for social housing. The development of a number of garage sites had also been progressed, and further sites had been proposed which would yield a total of 16, 2 and 3 bedroom homes.

The key achievement of Colchester Amphora Trading had been the beginning of the construction of a £65m leisure park at the Northern Gateway development, which was due to be completed in September 2023, and this was supported by additional significant infrastructure work on the development. Of critical importance for the forthcoming year was the continuation of infrastructure development, and the obtaining of outline planning approval for all proposed uses of the Northern Gateway site.

Other achievements had included the management of the overhaul of Rowan House, the completion of phase 1 of new public space at Balmerne Gate to complement the redevelopment of the Mercury Theatre, and the commencement of the construction of the Stanway Lakelands Community Centre.

Elizabeth Simpson, Head of Estates, Amphora Trading – Estates, attended the meeting remotely and addressed the Committee. The Committee heard that over the preceding year, the main focus of the Estates Team had been to ensure that the Council had received rental income which was owed to it via its property portfolio, together with identifying asset management initiatives which had generated capital income for the Council. In the forthcoming year, priorities would include continuing to limit the loss of rental income as well as the delivery of expert lease and management advice on Turnstone's Colchester Northern Gateway Leisure Park. Work would continue to secure asset management initiatives to increase Council income, to include finalising the letting of office space at Rowan House.

With regard to Colchester Events, Alistair Wilson advised the Committee that there had been a very strong recovery from the Coronavirus pandemic which had limited its activities in previous years. A number of developments had taken place including moving to cashless operations at events and the launch of a digital magazine called 'The Ticket' which was aimed at raising awareness of events and boosting ticket sales. Ticket sales for events at Charter Hall now averaged 700 per event, as

opposed to approximately 400 tickets per event before the pandemic. Events had also been delivered for other local authorities in Essex, and negotiations were ongoing to deliver more events in the future.

The Helpline service had continued to offer 24 hour a day support to its customers, and a full monitoring and response service had been maintained. In addition to this, over 350 new customers had been attracted to the service, with 1 in 7 customers now located outside Colchester. Work was ongoing within the wider healthcare sector including the East of England Ambulance service, and waiting times for a visit from helpline were currently approximately 45 minutes. Priorities for the forthcoming year included the digital upgrade of the Helpline operating system and the further development of the partnership with healthcare services to assist customers who had fallen but who were not injured. Additionally, joint ventures with other local authorities were being considered to extend the reach of the service across north Essex.

A local full fibre broadband network, funded by a grant from the Department of Culture Media and Sport, had been deployed and completed by the Amphora Trading team. Colchester Fibre had then established as a trading brand to be not only the wholesale provider of fibre broadband, but also the service provider. Significant external investment had been attracted to the scheme and as a result of the combined investment, full fibre broadband would be available to 15,000 properties.

A Committee member was pleased to note the excellent achievements of CCHL over the previous few years, despite the fact that they had initial reservations about the formation of the companies. Although the content of the report was appreciated, it was suggested that far more financial detail was required in future to enable the Committee to properly consider the activities of CCHL, and the statement of accounts should be provided in the future. It was further noted that the people pictured in the annual report document were not representative of the diverse population of Colchester, and this should be addressed.

In response to questioning from the Committee, Alistair Wilson confirmed that the fibre broadband network was owned by Colchester Borough Council, and that Colchester Amphora Trading, operating as Colchester Fibre, had been appointed to operate the network and to commercialise it on behalf of the Council. Negotiations were ongoing as to the fee which would be paid to the Council for the rights to commercialise the network, with the ongoing operating costs being covered within the revenue of Colchester Fibre. A Committee member required specific additional information in relation to the location of the capital expenditure and operational expenditure budgets in relation to the required continued maintenance of the fibre network, noting that such maintenance would not be accounted for via revenue accounts but would be a capital cost. The Committee heard that the cost of maintenance for the area of the network which the Council owned had been provided for within the projected expenditure costs of the company. The Committee remained concerned that a large sum of money had been invested in the network, with a lack of clarity in relation to the income to be generated over the life of the network, and

who was responsible for its maintenance, and the cost of such maintenance. It was suggested that a recommendation be made to Cabinet that more information be provided in relation to the issues which had been raised.

The Committee queried the plans which had been referenced for a solar farm, considering that the Council had not taken any decisions recently which would indicate a site large enough to support a 4.5 megawatt solar farm had been identified. Michael Woods indicated that feasibility work was in progress, and the appropriate land was available to host the proposed solar farm. The feasibility report would be circulated to the Committee once it had been received.

In response to a number of questions from a Committee member, Alistair Wilson confirmed that the fibre network which had been constructed had been terminated at strategic points, and at these points commercial enterprises were able to connect to the network and build it onwards themselves. No further information was available at this point as to which commercial operators would be involved in the future. Limited printed copies of 'The Ticket' were still available and distributed through key partners, however, this number would be reduced year on year. Information in respect of the Council's proposed continued development of its garage sites would be provided to the Committee after the meeting.

The Committee requested further details of when the draft accounts for CCHL would be available for inspection, considering that these formed an essential part of the overview process of the Shareholder Committee, and it was confirmed that draft accounts were with the Companies' accountant and were expected to be presented as final accounts in the coming weeks. The date for this presentation would be confirmed to the Committee.

A Committee member voiced strong concern that with the larger projects that were being managed by CCHL, where the council was potentially at risk, there was a lack of clarity as to where the responsibility for these projects lay. The capacity in which CCHL acted was questioned, and it was considered that profits which had been realised from some very significant investments had been very modest. It was noted that there were some very large projects, and it was not clear on whose balance sheet they rested. It was not possible to consider the operation of CCHL without this essential information, and there was concern that the primary risk associated with larger projects rested finally with the Council. The Committee needed to be able to consider the risks and rewards associated specifically with the Turnstone development.

Councillor King, the Leader of the Council, attended the meeting and, with the permission of the Chair, addressed the Committee. Thanks was offered to the officers of CCHL for their hard work during the preceding difficult years, and for following the remit set by the Council which was to be ambitious and deliver income. He acknowledged the questions which had been raised by the Committee, and considered that it was appropriate that full and considered responses be given to these. Pam Donnelley explained to the Committee that the initial risk assessment which had been commissioned would quickly give an overall feel of the position in relation to issues which had been raised during the meeting.

Summarising the debate that had taken place, the Chair of the Committee identified the key areas on which the Committee would make recommendations to Cabinet:

1. Greater details be provided with regard to the maintenance of the fibre broadband network,
2. Detailed projections be provided in relation to the proposed solar panel site at the Northern Gateway development,
3. An explanation be provided for the delays in the production of accounts, and confirmation that the accounts would be referred back to the Committee to review,
4. More information be provided in respect of the potential risks and rewards associated with the Turnstone development
5. Details with regard to the level of investment and expected returns associated with the fibre network itself be provided.

A Committee member suggested that greater attention should be given to the use which was made of housing land, and questioned why the Council was building housing itself, when a private developer could do this. Additionally, appraisals were needed for each and every element of the Northern Gateway heat network project, to provide assurance that it was understood what the investment required was, and what the returns were likely to be. The Committee did acknowledge that the role of the Amphora companies had a social element as well as a commercial one, and that the levels of provision of social housing which were required by the Council were unlikely to be met by a private developer.

The Committee indicated that it would be happy to scrutinise the business cases of projects brought forward by CCHL and offer appropriate advice, if this was the wish of Cabinet, although it would be careful not to usurp the position of the CCHL Board, which also included elected Members.

Andrew Weavers, Monitoring Officer, confirmed to the Committee that its Terms of Reference when acting as the Shareholder Committee for CCHL and its subsidiary companies were:

1. Consider and review the activities and financial performance of CCHL and its subsidiary companies, Colchester Amphora Housing, Colchester Amphora Energy, and Colchester Amphora Trading,
2. Receive, review and recommend to cabinet CCHL business plans, including its subsidiary companies, annually, and to review performance including the delivery of the dividend,
3. Monitor, challenge and make recommendations to Cabinet regarding CCHL and its subsidiary companies,
4. Make recommendations to cabinet on how it should exercise its functions flowing from its ownership of shares in CCHL and its subsidiary companies.

**RESOLVED** that: The Governance and Audit Committee had reviewed the performance of Colchester Commercial Holdings Limited (CCHL) and its subsidiaries during 2021/22 as provided in the Annual Report.



*RECOMMENDED to CABINET:*

1. Greater details be provided to the Governance and Audit Committee with regard to the maintenance of the fibre broadband network,
2. Detailed projections be provided to the Governance and Audit Committee in relation to the proposed solar panel site at the Northern Gateway development,
3. An explanation be provided for the delays in the production of accounts, and confirmation that the accounts would be referred back to the Governance and Audit Committee to review,
4. More information be provided to the Governance and Audit Committee in respect of the potential risks and rewards associated with the Turnstone development
5. Details with regard to the level of investment and expected returns associated with the fibre network itself be provided to the Governance and Audit Committee.



Report of	Chief Operating Officer	Author	Darren Brown ☎ 282891
Title	Housing Revenue Account Estimates 2023/24		
Wards affected	All		

## 1. Executive Summary

- 1.1 This report sets out the Housing Revenue Account budget for 2023/24, including proposals for changes to tenants rents for the coming financial year, and the management fee payable to Colchester Borough Homes. It includes at Appendix C a forecast of the potential expenditure requirements and income projections for the HRA for the next 5 years, and the updated 30 year HRA financial model at Appendix E.

## 2. Recommended Decision

- 2.1 To approve the 2023/24 HRA revenue estimates as set out in Appendix A.
- 2.2 To approve dwelling rents as calculated in accordance with central Governments rent policy (set out in paragraph 5.7).
- 2.3 To approve the HRA revenue funded element of £9,507,300 included within the total management fee for Colchester Borough Homes (CBH) (set out in paragraph 5.14).
- 2.4 To note a revenue contribution of £3,304,000 to the Housing Investment Programme (HIP) is included in the budget (paragraph 5.29).
- 2.5 To note the HRA balances position in Appendix B.
- 2.6 To note the Medium Term Financial Forecast (MTFF) set out at Appendix C and the 30 Year HRA financial position set out at Appendix E.
- 2.7 To note that given the current national economic climate, a review of the HRA medium term financial position, including the affordability of our non-stock investment programme capital investment proposals, will be commenced in the new financial year, to ensure the long-term viability of the HRA.

## 3. Reasons for Decision

- 3.1 Financial Procedures require the preparation of detailed HRA estimates for approval by the Cabinet, setting the new rent levels for the new financial year.

#### **4. Supporting Information**

##### ***Key Issues for 2023/24***

4.1 There are a number of key issues relating to the HRA budget for 2023/24, with further details being included within the main body of the report. However, in summary they are as follows;

- The Government have introduced a 7% “ceiling” on rent increases for 2023/24.
- High inflation levels have increased management and maintenance costs substantially and have had a significant detrimental impact on the 30 year HRA financial model since it was last agreed in January 2022. Pay and contractual price inflation, including energy price increases and the impact they are having on the cost of repairs materials, are the primary areas.
- Rising interest rates and the subsequent impact on any new borrowing we undertake have had a significant detrimental impact on the 30 year HRA financial model since it was last agreed in January 2022. The budget and MTFF include ambitious targets for increasing the supply of social housing in the City, which are funded primarily by new prudential borrowing, and partially supplemented by the use of retained Right To Buy receipts.
- This is the second HRA budget to be set in the context of the refreshed 30 year HRA Business Plan, which was agreed by Cabinet in January 2022. The budget therefore reflects the strategic priorities identified within the HRA business plan.
- A revised Asset Management Strategy has been agreed, and the outputs have been included in this report and the Housing Investment Programme report elsewhere on the agenda.
- This is the twelfth year of HRA Self-Financing, which radically altered the funding of Council Housing, and the investment in the housing stock and other projects is reflected in this report and the Housing Investment Programme report included elsewhere on the agenda.

##### **Prudence**

4.1.1 This report and the 2023/24 Housing Investment Programme included elsewhere on the agenda reflect significant capital spending plans over the next 5 years, reflecting the clear signal and expectation from Government that Councils will increase the supply of Council housing through new build etc, following the abolition of the HRA debt cap. For information, the Councils housing stock at 1<sup>st</sup> April 2022 totalled 5,907 dwellings, with a balance sheet value of £421.8million.

4.1.2 In April 2012, the Council took on circa £75million of debt, determined as affordable by the Government under the HRA Self-Financing settlement. In the years thereafter, any new investment and its affordability has been assessed as part of the update of the 30 year HRA Business Plan. As set out in this report, the current and further planned investment and associated borrowing cost continues to be affordable broadly, as demonstrated by the interest cover ratio in paragraph 5.27, although an assessment of investment levels in the short to medium term will be undertaken during the next financial year.

### ***Housing Rents***

- 4.2 The Government's 4 year rent reduction period ended in 2019/20, and the Government announced at the time that rents would revert to the previous formulaic increase for a period of 5 years, which meant they would increase by the Consumer Price Index (CPI) + 1% from 2020/21 to 2024/25.
- 4.2.1 However, the Government recently announced that "In light of exceptional circumstances, the government has since adjusted this policy in order to protect social housing tenants from very large nominal-terms rent increases that would otherwise have been permitted in 2023-24 due to higher than expected levels of inflation. For rent periods that begin in the 12 months from 1 April 2023 to 31 March 2024, the CPI plus 1 percentage point limit on annual rent increases is replaced by a 7% 'ceiling'. This means that, in that year, registered providers may increase rents by up to 7%. However, it does not affect the calculation of the maximum initial rent when properties are first let or subsequently re-let. In particular, the restriction does not apply to the calculation of formula rent or the rent caps that apply to social rent properties".
- 4.2.2 Therefore, the rent increase proposals within this report mean we are continuing to set dwelling rents within Department for Levelling Up, Housing and Communities (DLUHC) guidelines and so the annual increases in rents paid by tenants are set by reference to national Government policy. The Government expects local authorities to apply rent restructuring to all their HRA properties and is the assumption the Government made when establishing the amount of debt we would take on under HRA Reform. As a reminder, the aim is that social rents reflect the condition and location of properties, local earnings and property size. Each property continues to have a target rent calculated using the Government's formula, and this increases annually by the September CPI figure + 1.0%. Rents are able to be moved to target rent when the property becomes empty, and there are caps in place to protect tenants from very large increases.
- 4.2.3 There is no information to suggest what will happen to rent increases in 2024/25, and whether a cap on increases will be applied again by the Government if inflation levels remain high. Furthermore, there is no information to suggest what will happen to rents after 2024/25, but the prudent assumption within the MTFF and 30 year Business Plan is that rents will increase in line with the Consumer Price Index (CPI) only.
- 4.3 As part of the process for setting the 2023/24 HRA budget, it is necessary to revisit the 2022/23 position to forecast the predicted level of HRA balances along with identifying any risk areas or cost pressures which could have an impact in future years.

### **2022/23 Revised Housing Revenue Account**

- 4.4 Appendix A shows the Revised Housing Revenue Account (HRA) estimates for 2022/23. There have been some amendments to the original budget for 2022/23 during the course of the current financial year. A reconciliation is therefore provided in the following table between the Original and Revised budget for 2022/23:-

#### **Reconciliation between Original and Revised 2022/23 HRA Budget**

	<b>Budget 22/23</b>	<b>Commentary</b>
	<b>£'000</b>	
<b>Original Budget Deficit</b>	-	Agreed 26 <sup>th</sup> January 2022
2021/22 Budgets c/fwd	318	Agreed by Assistant Director of Corporate and Improvement
<b>Revised Budget Deficit</b>	<b>318</b>	

### **2022/23 Forecast Outturn Position**

- 4.5 When considering the financial position of the HRA, in addition to the adjustments to the 2022/23 original budget shown in the above table, it is important to note the 2022/23 forecast outturn position. It is currently predicted that the HRA will be on budget at the year-end. The table below provides a breakdown of this net position. In addition, commentary is provided on the major variations;

	<b>Outturn 22/23</b>
	<b>£'000</b>
Third Party Payments	272
Net Rental & Tenants Service Charge Income	66
<i>One-off/Technical Items</i>	
Revenue Contribution to Capital (RCCO)	(338)
<b>Forecast 2022/23 Outturn Variance</b>	<b>-</b>

- An overspend of £272k is forecast due to funding being provided to CBH to meet the additional costs of the NJC pay award and the Real Living Wage increase, both of which have been backdated to 1<sup>st</sup> April 2022. This is consistent with the approach agreed in the General Fund.
- It is forecast that we will receive less rental and tenants service charge income of £66k. This primarily reflects the net impact of rental and service charge income being lost from dwellings and garages than assumed within the budget, through a combination of voids and the level of Right to Buy sales, along with the timing of acquisition and additions to our housing stock.
- As a result of these forecast outturn variances, a reduced Revenue Contribution to Capital of £338k to fund the Housing Capital Programme in 2022/23 is forecast.

- 4.6 To provide a further explanation of the forecast outturn position, the funding of the Housing Investment Programme considered elsewhere on the agenda is derived from a number of sources. After firstly taking into account depreciation, grants and capital receipts etc, the remaining sources of funding are revenue resources from the HRA as detailed in this report, then finally borrowing in the form of new loans. Any opportunity to forego new borrowing so that interest costs can be minimised should be taken.

### **HRA Reform**

- 4.7 Members will be aware of the implementation of the national reform of the Housing Revenue Account from April 2012. The 2023/24 budget therefore reflects the twelfth year of operating within this financial regime for the HRA, with commentary included on the medium and long-term outlook in this report.
- 4.8 Appendix E summarises the 30 year financial modelling for Colchester's HRA. This is set out using the standard approach, which is to show each of the first 5 years individually, then group the remainder of the model in 5-year bands. Further information is provided at paragraph 7, including some of the underlying principles and assumptions that are included. Given the long time-span this modelling covers, it will clearly change as time progresses as both internal and external influences have an impact. However, what it does provide is an indication of the long-term viability of the Council's HRA, given the assumptions made and the plans the Council has already identified and currently committed to.

## **5. 2023/24 Housing Revenue Account Budget**

- 5.1 Appendix A shows the Housing Revenue Account (HRA) estimates for 2023/24. This shows a break-even budget for the year, meaning there is no planned contribution to or use of uncommitted HRA balances .
- 5.2 It should be noted that the MTFF included within the 2022/23 HRA budget cycle and considered by Cabinet on 26<sup>th</sup> January 2022 estimated a break-even budget for 2023/24.

### **Balances**

- 5.3 The prudent level of uncommitted balances for the HRA is currently £1,600k. This recognises the transfer of risk from Central to Local Government resulting from HRA Reform, as well as providing for any adverse effects of inflation, interest rates, or Right To Buy sales on the HRA. Whilst there is certainty around interest rates given we have secured long-term fixed rates on our HRA Reform settlement debt, the abolition of the debt cap and our plans to borrow does bring a risk relating to increasing interest rates.
- 5.4 A risk assessment has been undertaken to review the minimum prudent level of HRA uncommitted balance the Council should maintain. The results of this review are set out at Appendix D and show that it would be reasonable to retain the uncommitted balance at £1,600k. This will continue to be reviewed annually.
- 5.5 The estimated balances for the HRA are set out in Appendix B. The anticipated level of the uncommitted HRA balance as at 31<sup>st</sup> March 2024 is £1,600k, which is equal to the recommended prudent level. This means we are now running the HRA at the minimum prudent level of revenue balances, and any additional cost or saving that might arise could impact on the amount of any new borrowing undertaken.
- 5.6 The budget at Appendix A shows that we are using as much of our revenue balances as possible to make a Revenue Contribution to fund the Housing Investment Programme. This is because it is deemed to be a more economical use of resources, rather than fund the capital programme by undertaking additional borrowing and thus incurring additional

borrowing costs. This fits with the prioritising of resources indicated in this report and in the Housing Investment Programme elsewhere on the agenda. From 2023/24 thereafter, the assumption is that where required, revenue contributions to the capital programme will be made up to the point that the minimum recommended level of balance is reached.

## **Income**

### ***Housing Rents***

- 5.7 By following the rent increase formula, we are continuing to set dwelling rents within Department for Levelling Up, Housing & Communities (DLUHC) guidelines and so the annual changes in rents paid by tenants are set by reference to national Government policy. The average rent proposed for 2023/24 is £99.29 per week compared to a current average of £92.79, an increase of £6.50 (7.0%) per week. It is difficult to anticipate future rent increases after 2023/24, given the potential for the rate of inflation to vary in the short to medium term and also for any further changes in Government rent policy. However, modelling within the MTFF and 30 year financial modelling has been undertaken using reasonable estimates of inflation rates.
- 5.8 Sales of council houses under the Right to Buy (RTB) scheme could reach 40 this year (44 sold in 2021/22 and 46 sold in 2020/21), which is broadly in-line with the number included in the 2022/23 HRA budget. The level of sales has levelled out in recent years, therefore the 2023/24 budget has been set assuming the sale of 30 properties, being broadly in line with recent years. The MTFF and longer term modelling does not assume a reduction in the number of sales until 2028/29. However, these assumptions will be reviewed annually as part of our future budget setting.
- 5.9 The budget for 2023/24 has been set using the assumption that there will be a loss of rental income of 1.50% resulting from empty properties. This is consistent with the 2022/23 budget and is intended to provide for any additional void loss that may arise as a result of the various changes being undertaken within the housing stock.
- 5.10 Given the abolition of the debt cap, Cabinet has already agreed plans to increase our Council Housing stock, through a combination of new build and acquisitions. The 2023/24 budget includes an estimate for the additional rental income these measures will generate.

### ***Other Income***

- 5.11 The rents for garages are included in the fees and charges report agreed by the Portfolio Holder for Housing and Communities and continues the policy that reflects a pricing strategy based on market forces.
- 5.12 There are a range of other fees and charges for services which are made to Tenants and Leaseholders, which are agreed by the Portfolio Holder. The budget for 2023/24 assumes that the demand for these services will remain the same as the current financial year, unless mentioned otherwise.
- 5.13 The de-pooling of service charges to individual tenants was implemented in 2008/09. There have not been any new service charges introduced for 2023/24, only an update of existing charges to reflect the actual cost of the services provided.



## **Expenditure**

### **Colchester Borough Homes Management Fee**

- 5.14 The management fee provides funding to CBH for the services they provide under the management agreement and is funded from several sources within the Council's accounts, namely the Housing Revenue Account, the Housing Investment Programme, as well as the Council's General Fund. The following table analyses the total CBH management fee, and provides details of where the funding is shown in the Council's overall budget:

#### **Breakdown of 2023/24 CBH Management Fee**

	<b><i>Budget 23/24</i></b>	<b><i>Funding Source</i></b>
	<b>£</b>	
CBH Management costs	4,872,300	CBH Ltd Management Fee at Appendix A
R&M Management Fee	714,000	Included in Repairs & Maintenance at Appendix A
R&M Works	3,921,000	Included in Repairs & Maintenance at Appendix A
<b>Sub-Total: HRA</b>	<b>9,507,300</b>	
Capital Fee	1,713,000	Included within the 2023/24 Housing Investment Programme
<b>Sub-Total: HIP</b>	<b>1,713,000</b>	
Professional Support Unit	133,200	Included within the 2023/24 General Fund Budget
Housing Options Team	743,700	Included within the 2023/24 General Fund Budget
Facilities Management/ Engineering Team	580,800	Included within the 2023/24 General Fund Budget
Housing Systems Team	99,000	Included within the 2023/24 General Fund Budget
<b>Sub-Total: General Fund</b>	<b>1,556,700</b>	
<b>Total Management Fee</b>	<b>12,777,000</b>	

- 5.15 The base management fee for 2023/24 includes an allowance for pay and price inflation and the funding for 2 new posts, along with an increased provision following a review of the cost of services CBH buys-in from the Council. Provision has also been made for an increase in material costs for the repairs budgets as well as increasing the fencing budget to better reflect levels of work required.
- 5.16 Members will be aware that at its meeting on the 26<sup>th</sup> January 2022, Cabinet approved the Council's 30 year HRA Business Plan. The 2023/23 budget and management fee include the continuation of a number of service enhancements, which reflect the strategic priorities identified by Cabinet. The majority of these are incorporated within the existing CBH Management Fee and Council budgets, with additional resources being directed in particular to supporting tenants.

### ***Management Costs***

- 5.17 The 2023/24 HRA budget includes £7,691,100 for management costs, an increase from 2022/23 (£6,247,300). Management costs form a substantial part of the HRA annual expenditure, and they consist of budgets managed directly by the Council, as well as those which are managed on behalf of the Council by CBH. Further information along with an explanation for any material changes from the 2022/23 budget is given in the following paragraphs;
- 5.18 The budget for Employee costs has increased by £27,100 for 2023/24. This relates to provision for a pay award and an increase in Employers pension contribution rates resulting from the actuarial tri-annual review of the scheme.
- 5.19 The budget for Premises costs has increased by £956,100. The budget for utility costs has increased by £764,300 recognising the significant increase in national gas and electricity prices, along with an increase in the grounds maintenance budget of £129,100 primarily due to high inflation.
- 5.20 The HRA receives a significant level of recharges from other Council services, along with a proportion of central support costs, such as Corporate and Democratic Core and Pension costs associated with the back-funding of the scheme. The total budget for 2023/24 has increased by £438,200 from 2022/23. This increase includes the impact of pay and price inflation on the cost of those General Fund services which recharge a proportion of their costs to the HRA, and the impact of inflation on the Council's General Fund budget is set out in its 2023/24 budget report elsewhere on the agenda. There is also an additional cost of £147,600, which reflects the continued approach of paying 3 years pension deficit funding contributions "up-front", which results in an overall saving over 3 years. This is the same approach adopted within the Councils General Fund budget for 2023/24. The budget will reduce back down for 2024/25 and 2025/26.

### ***Repairs and Maintenance***

- 5.21 The 2023/24 Housing Investment Programme has been drafted and is included elsewhere on the agenda for approval. In respect of revenue works £6,521,000 has been included in the budget for repairs and maintenance (compared to £5,748,200 in 2022/23), of which £4,635,000 is specifically for works and associated overheads included within the CBH Management Fee. A provision of £1,656,000 is included in the budget for those works which are managed by CBH on behalf of CCC, such as external decorating and gas servicing, but where CCC still hold the contract. The balance of the budget is for works to sewage pumping stations, temporary accommodation and other CBH delegated areas. The revenue budget provides for repairs that are undertaken on a responsive basis, as well as works to void properties, and maintenance which is carried out under a planned programme such as external decorating and gas servicing.

### ***Capital Financing Costs***

- 5.22 The budget includes the statutory charges to the HRA for the interest costs of the Council's borrowing in respect of the housing stock. This represents a significant proportion of the Council's HRA expenditure each year. It is worth noting that any new borrowing to fund the overall Housing Investment Programme next year may be borrowed internally from the Council's General Fund, subject to the levels of borrowing required and funding available, which is at a lower rate than would be payable were we to borrow externally. This also delivers a benefit to the General Fund, as it would be receiving more interest than it would attract were it to invest externally. This approach has been considered and agreed as part of the Council's treasury management strategy.

- 5.23 No provision has been made at this point in time for the annual repayment of any HRA debt, as there is no statutory duty to provide for it. The Council though is statutorily responsible for self-managing its long-term indebtedness. The Council is forecast to have circa £180million of housing debt at the start of the next financial year, and it would be prudent to start to consider providing for some repayment in the future. The Treasury Management Strategy Statement approved by Cabinet on 25<sup>th</sup> January 2012 stated "That the Council plans to make Voluntary Revenue Provisions (VRP) for the repayment of HRA debt to enable maturing debt to be repaid, whilst ensuring that this does not create an adverse impact on the business case". However, this also needs to be considered alongside the investment requirements of the housing stock, and the clear message from Government that local authorities are expected to increase their Council housing stock to help address the housing crisis.
- 5.24 Given the need to undertake additional HRA borrowing to support the Housing Investment Programme over the next 5 years, it would currently seem impractical to set-aside revenue resources for debt redemption over this period of time, which as a result would leave a funding gap which would need to be met by further borrowing (and hence incur additional revenue interest costs). However, this should be considered each year as part of the Councils annual budget setting process and review of the 30 year HRA financial model. Given the medium term investment needs currently identified and priorities agreed by Cabinet, it is proposed that no voluntary provision for debt repayment is included in the 2023/24 budget or MTFP at this point in time.
- 5.25 The 2023/24 Housing Investment Programme report included elsewhere on the agenda contains significant capital spending plans over the next 5 years, directly as a result of the Government's abolition of the HRA debt cap and the clear signal and expectation that Councils will increase the supply of Council housing through new build etc. This expenditure will be funded through a combination of using our retained 1-4-1 Right To Buy receipts, and prudential borrowing. The Council's General Fund is already able to borrow using prudential borrowing, so the HRA is simply being treated consistently.
- 5.26 The Council's Treasury Management Strategy is included elsewhere on the agenda and contains prudential indicators which assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances and include the HRA. It is also proposed to continue using the following indicator within this report, which is a measure also adopted by Registered Providers to demonstrate how easily they can pay their interest costs:
- 5.27 **Interest Cover Ratio.** This is a local financing indicator which identifies the ability of the net operating surplus in the HRA to meet the interest costs of HRA debt. Given the relatively low volatility of the environment the social housing sector operates in (compared to areas of the private sector, such as retail for example), it would be reasonable to expect this indicator to be a minimum of 1.25, but with a target of being in the region of 1.50 or above.

21/22 Actual	22/23 Estimate	23/24 Estimate	24/25 Estimate	25/26 Estimate	26/27 Estimate	27/28 Estimate
2.23	1.68	1.50	1.50	1.53	1.42	1.46

### ***Revenue Contributions to Capital Outlay (RCCO)***

- 5.28 The Council has continuously made revenue contributions to capital spending recognising the significance of targeting resources to invest in our Housing Investment Programme. Given the regime of HRA self-financing and the additional revenue resources subsequently generated, the Council is able to make significant revenue contributions to support the capital investment included within the Housing Investment Programme.
- 5.29 The revenue contribution included in the estimates is £3,304,000. The majority of this budget is to support the capital work programmes to the housing stock in 2023/24, which are included within the Housing Investment Programme report elsewhere on the agenda. However a provision of £60,000 has been included for ICT, which is intended to support various projects as they arise during the year.

### ***Risk areas and budget review process***

- 5.30 Some of the key variables that may impact during the year are shown in the table below:-

<b>Area</b>	<b>Comment</b>
Rental Income	The budget makes assumptions on the future level of Right To Buy sales and void levels. These are to a certain extent demand led and due to the significance of Rental Income within the HRA, can have a significant effect on the level of the HRA balance. Furthermore, the risk exists that the Government could change rent policy unexpectedly, as demonstrated by the rent reduction announcement in 2015, and the introduction of the rent cap for 2023/24.
Pay & Prices Inflation	The budget makes assumptions on future price increases on our management costs, such as pay awards for staff, the CBH Management Fee and contractual inflation such as Grounds Maintenance costs. Given the current high levels of inflation, there is a risk that prices could continue to rise at these levels, or indeed rise further, the cost of which would have to be funded from existing resources or HRA balances.
Building Cost Inflation	The budget makes assumptions on future price increases for the cost of undertaking repairs and maintenance through the tender of contracts. Given the current high levels of inflation and volatility of prices being seen, there is a risk that prices could continue to rise at these levels, or indeed rise further, the cost of which would have to be funded from existing resources or HRA balances.
Interest Rates	The budget makes assumptions on the interest rate we would have to pay on any further HRA borrowing that would need to be undertaken to support the Housing Investment Programme. Given how interest rates have risen during this financial year, there is a risk that we cannot afford to deliver all of the Housing Investment Programme at this point in time, therefore this will be closely monitored during the year and will be considered as part of the proposed review of the capital programme.
Repairs and Maintenance	Historically, this is an area where pressure has existed on budgets such as Responsive and Void repairs, given that they are demand-led. However, in recent years this has become less of a risk. These budgets now form part of the CBH Management Fee, and the terms of the management agreement specify that CBH will be liable for any overspend

Area	Comment
	up to a maximum of £200k per year, but also that they may retain any underspend up to £100k per year. Therefore, there could be a reduced impact on the HRA of variations in expenditure.
New Build	The budget makes assumptions on the numbers of new properties being built, the amount and timing of expenditure, and the amount of borrowing required. These factors can all change as schemes progress.
Governments Welfare Reform	The budget includes an estimate of the impact of Welfare Reform. As well as providing for transaction costs etc, the budget also includes an estimate of the potential impact upon rent arrears and consequently the level of bad debts provision we would need to maintain.
Revenue Contributions to Capital (RCCO) / Prudential Borrowing	Capital Resources have been provisionally allocated for 2023/24 within the Housing Investment Programme report contained elsewhere on the agenda. If these resources prove insufficient, then options exist to either finance capital expenditure from revenue or undertake additional HRA borrowing. Clearly, if one of these options was pursued, then there will be a requirement to find additional resources from the HRA.
Utility costs	The budget makes assumptions on future prices for Gas and Electricity that are consumed within the Council's housing stock, such as Sheltered Schemes, Temporary Accommodation and Communal entrances in blocks of flats. Given the substantial increase in utility prices currently being seen, there is a risk that prices could rise further, the cost of which would have to be funded from existing resources or HRA balances.
2022/23 Outturn	A net overspend of £338k is currently predicted for this year, which means a lower proportion of our Housing Capital Programme will be funded from new borrowing. Any variance on the forecast will result in a higher or lower RCCO, which will have a knock-on impact on the amount of any new borrowing undertaken.

- 5.31 As shown in paragraph 5.30 above several key variables have been identified. It is therefore essential that a programme of formal reviews of the HRA be set out to provide an opportunity to make changes to resource allocations during the year. The following schedule therefore sets out a suggested framework for these reviews.

Review	Comment
March 2023	Updated outturn forecast.
July 2023	Provisional pre-audit outturn / current year issues etc.
September 2023/ October 2023	Mid-year review.
December 2023 / January 2024	Outturn review / Budget 2024/25.

## 6. Supporting Information - Medium Term Financial Forecast (MTFF)

- 6.1 As part of the budget process for 2023/24 a MTFF has been produced for the HRA. This sets out the indicative budget position for the period 2023/24 to 2027/28. Although we are operating under the HRA Self-Financing regime, and more certainty is now in place, assumptions still have to be made around inflation rates, interest rates, void levels, bad

debts and increases in costs etc, which can of course change. To that extent, the MTFF should still be viewed as indicative.

- 6.2 Appendix C sets out the MTFF for the period analysed by the main areas of expenditure and income. This shows that the level of uncommitted HRA balance is able to be maintained at prudent levels throughout the MTFF. This is after meeting all the running costs of managing and maintaining the housing stock, along with servicing the borrowing costs on all HRA debt. It is also after substantial revenue contributions have been made to support the Housing Investment Programme. Planning to run the HRA balance at the minimum prudent level fits with the principle that it is more cost effective to minimise/reduce borrowing costs where possible, rather than hold a higher revenue balance than is prudently required, whilst also providing reassurance to tenants and residents that the Council is wisely managing its finances and its housing stock. This approach fits with the principle referred to in paragraph 5.6 above. The recommended level of uncommitted balance on a risk based approach is £1,600k. There are several factors which can affect the forecast position, namely:-

➤ **Capital financing**

Given the treasury management strategy relating to our HRA Reform debt settlement was to borrow at fixed interest rates, this means we are able to plan with certainty into the long-term surrounding the financing costs of this debt. The MTFF includes assumptions on the interest rate we will have to pay on the further HRA borrowing that would need to be undertaken to support the Housing Investment Programme, included elsewhere on the agenda. Given that any future additional borrowing would be undertaken at the prevailing interest rates at the time, for the purposes of the MTFF a reasonable assumption has been made on what those rates might be. This will be reviewed as part of the annual budget setting process.

➤ **Rental income**

For 2023/24, the MTFF reflects the rent cap referred to earlier in the report, and for 2024/25 it assumes that rent increases will return to the previous formula of CPI + 1%. There has been no indication from Government what rent policy would be for 2025/26 onwards, but we are prudently assuming rents will increase by CPI only going forward. The assumptions on the number of Right To Buy sales and the level of anticipated rent lost through void properties have been updated to reflect recent activity, but once again these are areas which can significantly alter the forecast of Rental Income and are to a certain extent demand led.

➤ **Welfare Reform**

Continued provision has been made within the MTFF for the estimated potential effect on levels of rent arrears and bad debts, resulting from the introduction of Welfare Reform by the Government. The contribution to the provision for bad debts has been broadly maintained at the level for 2022/23 going forwards, with the level of provision being reviewed annually as part of the budget setting process.

- 6.3 The MTFF therefore provides a baseline position against which to make decisions as to the allocation of HRA resources and to determine the budget strategy over the next 5 years. The MTFF will be updated on a regular basis.

## 7. **Supporting Information – 30 Year Financial Modelling**

- 7.1 The implementation of HRA Reform in 2012 brought the expectation that Councils will take a greater business planning role when managing their Housing Revenue Account. Cabinet approved the Council's 30 year HRA Business Plan at its meeting on 25th January 2022. This included a 30 year financial model which set out the long-term position of the Council's HRA, using 2022/23 as the base year. As part of the 2023/24 budget setting process, this model has been refreshed and updated. This is summarised at Appendix E. This is set out using a standard approach, which is to show each of the

first 5 years individually, then group the remainder of the model in 5-year bands. It incorporates expenditure and income for both revenue and capital, along with the HRA balances and debt position.

- 7.2 The information provided by the model for future years should be viewed as indicative. This is because a number of assumptions have to be made when projecting into the future, and the following paragraphs give some further details on these. Given the potential for these to vary, the impact upon the modelling could result in an improvement or decline in the position shown, dependant on the size of change and the degree of impact upon the plan. However, prudent assumptions are made wherever possible to protect the Council's financial position and to ensure the ongoing viability of the HRA.
- 7.3 Officers have undertaken sensitivity analysis on the 30 year model to evaluate the impact of any change or combination of changes in the assumptions could have. Further information on the work undertaken is provided at paragraph 7.26.

### ***Income Assumptions***

- 7.4 One of the key drivers within the financial model is inflation. This is the factor which determines future annual rent increases for tenants, and it is this income which we are able to retain in the future to meet the increased stock investment and additional borrowing costs resulting from our increased debt arising from HRA Reform.
- 7.5 There is currently no indication to suggest what is going to happen to rent policy after 2024/25, therefore for the purposes of Business Planning it has been assumed that rents will increase by CPI only from 2025/26 for the remaining duration of the 30 year model. As a reminder to members, a change in rent policy is the example the Government at the time quoted within the HRA Reform debt settlement that would possibly re-open the original debt settlement. However, this has not occurred, despite the rent reduction in previous years, and the rent cap being imposed for the next financial year. Therefore, Colchester along with all other housing authorities nationally, entered into the new self-financing HRA arrangements at the time on the basis that the Government was providing certainty on national rent policy, which has clearly changed.
- 7.6 Assumptions have been made within the model for changes in stock numbers, primarily from Right to Buy sales and from the additional stock that will be delivered as part of our new build and acquisition plans. These assumptions are consistent with those made in the budget and MTFF. The Council has entered into agreement with DLUHC to retain additional RTB receipts to deliver new affordable housing, and the proposals already approved by Cabinet should minimise the amount that has to be repaid to Government.
- 7.7 Assumptions have been made regarding rent lost from void properties and bad debts. An allowance has been made for ongoing operational voids, as well as an ongoing increase to the level of bad debts provision we may need to hold following the introduction of the Government's welfare reforms.
- 7.8 It has been assumed that income from garages will increase in line with CPI. There is the potential for this to increase, with the improvement to the financial model coming through a combination of reduced void levels as well as an increase in annual charges.
- 7.9 All other income budgets are assumed to increase in line with inflation.

### ***Expenditure Assumptions***

- 7.10 Similarly to income, inflation can have a significant impact upon expenditure levels within the 30 year financial model. It has been assumed that inflation on expenditure will be at the same rate as assumed for income.
- 7.11 Management costs have been assumed to remain at the current base level throughout the life of the 30 year model, subject to inflationary increases. The exception to this is where it is known they will alter, for example tri-annual reviews of the pension scheme by Essex County Council, or where one-off sums have been included within the base budget.
- 7.12 Maintenance costs have been extracted from the Council's 30 year Asset Management Strategy. Assumptions have been made around future increases in line with general inflation, but these costs are also subject to changes to the BCIS (Building Cost Inflation) and market conditions that impact as contracts are re-tendered.

### ***Funding & Financing Assumptions***

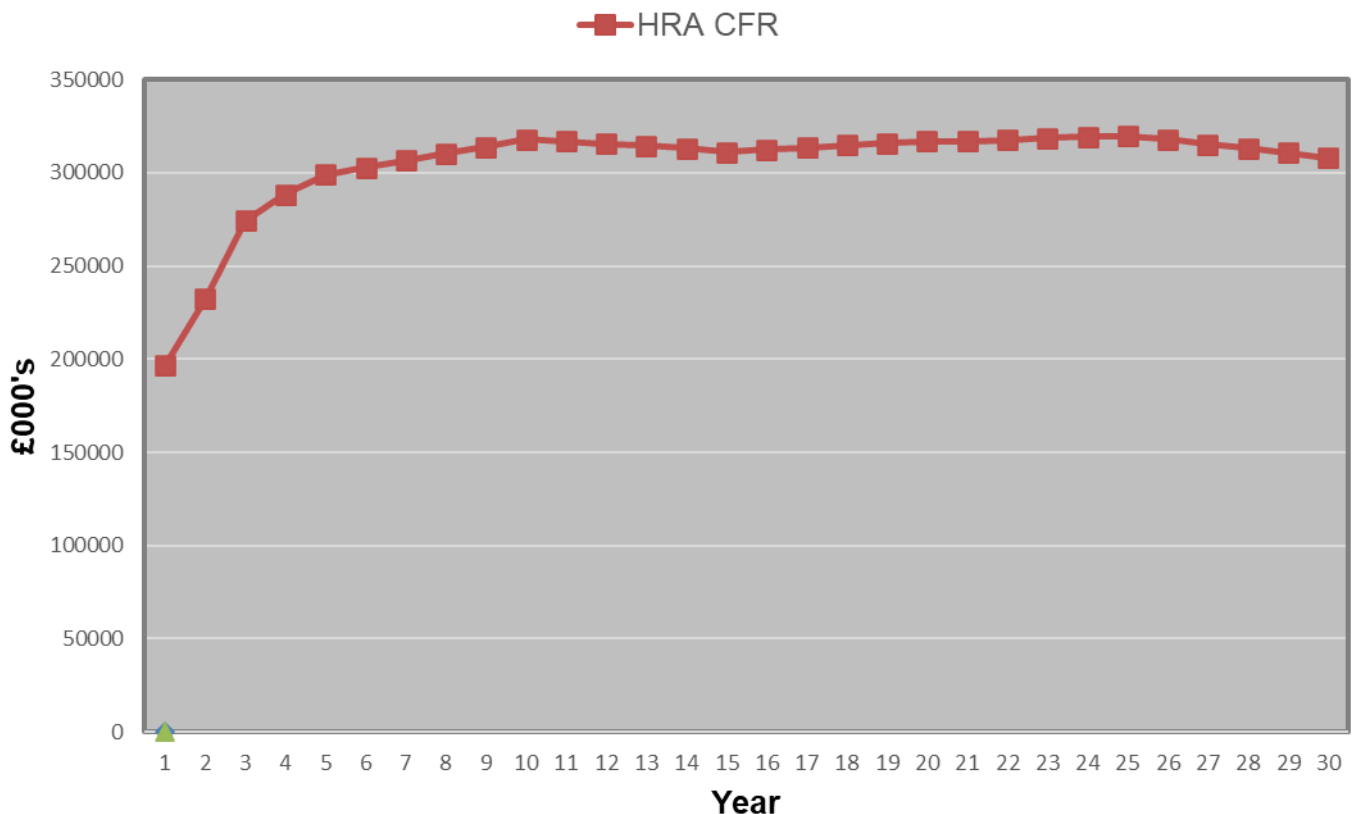
- 7.13 The Council's Asset Management Strategy includes the expenditure requirements of our housing stock over the next 30 years. This has been reflected in the 30 year financial model. The day to day repairs and maintenance costs are funded from the revenue account, whilst the capital expenditure requirements are funded from a variety of sources which is considered within the Housing Investment Programme (HIP) report elsewhere on the agenda.
- 7.14 The priority of how resources are used to fund the HIP is contained within that report for 2023/24, which in summary is aimed at using specific grants and capital receipts first, then reserves, with the intention of preserving revenue resources as far as possible as they offer the greatest funding flexibility. Should there be no or insufficient revenue resources available, then additional borrowing would be the final approach. This is because borrowing carries a cost of doing so; therefore it is treated as the last option to gain the maximum use of revenue resources available.
- 7.15 One of the primary sources of funding the Housing Capital Programme is a charge to the HRA which reflects the cost of depreciation to the housing stock. This is calculated locally, with reference to our actual stock condition and asset management strategy.
- 7.16 We are able to plan with certainty for the borrowing costs relating to the HRA Reform debt settlement, given that we entered into a number of long-term fixed rate loans. We are currently assuming an initial rate of 3.75%, falling to 3% over the next 5 years on any future borrowing undertaken to support the Housing Capital Programme, which will be reviewed annually as part of the budget cycle. However, it should be noted that the impact of interest rates can be significant, given any 1% change in interest rates would result in an annual cost of circa £180k (based on current levels of borrowing).

### ***Debt***

- 7.17 The measure of an authority's debt under self-financing is the HRA Capital Financing Requirement (HRA CFR). Our opening HRA debt on 1<sup>st</sup> April 2022 is expected to be £179.856million. As the HRA debt cap has been abolished by Government, the only constraint on borrowing now is that it is affordable under the prudential borrowing code.
- 7.18 The following graph shows our current debt profile that is being generated by the 30 year financial model. This works on the principle that once all of the costs of managing and maintaining our housing stock have been met, and the interest costs of our HRA borrowing have been paid, any residual income can be used to repay debt. It is important to state that this is an indication of the ability to repay debt, as what dictates whether debt is reduced is where the Council actually repay loans as they mature.



## Debt Profile



- 7.19 The above debt curve shows that due to the introduction by the Government of a rent cap, which is below the current level of inflation, we are able to deliver the capital investment requirements of the housing stock as set out in the current asset management strategy, but with limited ability to repay HRA debt over the course of the 30 year model. The early years are consistent with a business plan for the HRA where a significant level of new build/stock acquisitions etc are being undertaken. In the early years, debt increases and then levels out around mid-way through the plan. However it would usually start to reduce in the second half of the plan as rents have increased sufficiently to enable repayment of debt, but this is not the case as the cumulative impact of cost inflation and increases is offsetting any additional rental income.
- 7.20 To demonstrate the impact the Government's rent cap for 2023/24 has had on the 30 year financial model, Appendix F shows what the debt profile would have looked like if the Government had retained the rent policy of CPI + 1% for the next financial year. For comparative purposes, all other budgets and assumptions are the same as included within this report and the Housing Investment Programme report elsewhere on the agenda. For completeness, the 2022/23 debt profile included in the January 2022 HRA Budget setting report agreed by Cabinet has also been included .
- 7.21 Given the abolition of the HRA debt cap, the Council is currently planning to undertake additional prudential borrowing to deliver the plans agreed by Cabinet, and as set out in the refreshed HRA Business Plan. However as previously stated, these will form part of a review to ensure the long-term viability of the HRA. In the meantime, the following table shows the predicted level of debt over the first 10 years of the current financial model, taking into account the additional borrowing and any provision for the repayment of debt;

<b>Year</b>	<b>Forecast HRA Debt £000's</b>
2023/24	197,054
2024/25	232,518
2025/26	274,434
2026/27	288,595
2027/28	299,112
2028/29	302,747
2029/30	306,486
2030/31	310,399
2031/32	313,763
2032/33	317,878

- 7.22 The projection in the above table is derived from a number of assumptions in the financial model, many of which are out of our direct control, for example inflation, Right To Buy numbers etc. Therefore the figures in the table above should be viewed as indicative.

### ***Outlook Summary***

- 7.23 The Government's rent cap for 2023/24, against a backdrop of high inflation and rising interest rates impacting on any new borrowing undertaken within the HRA, had had a significant impact on the HRA financial model. To remind Members, the main test adopted when determining the viability of an HRA business plan is whether the debt is able to be repaid by year 30. This mirrors the process that private funders adopt when considering a stock transfer proposal, as they want to be comfortable that their borrowing is capable of eventually being repaid. However, HRA Reform has put Councils firmly in control of their business plans and it is acknowledged that Councils may wish to retain debt, and in return use those resources which would otherwise have been used to repay debt to provide even greater investment locally, whether it be in relation to the existing housing stock, the provision of new affordable housing and/or improved services to tenants. Therefore, whilst the year by which all debt would be repaid is useful as a measure, it should be considered alongside the Council's overall position on repayment of HRA debt versus the desire to provide maximum investment locally. To this extent, the debt tables in this report reflect Cabinet's decisions to date to deliver the proposals set out in the Housing Investment Programme and plans to increase the supply of Council housing.
- 7.24 The focus has now moved from managing within the debt cap, to managing our overall level of debt and ensure it is affordable in the long-term. The plans to increase our housing stock should be viewed as growth, and will last beyond the current 30 year modelling. As rents increase beyond year 30, then the ability to repay debt or invest further will increase.
- 7.25 The factors of high inflation, rising interest rates and uncertainty around Government rent policy have worsened the 30 year HRA model since January 2022. Whilst the Council is still broadly in line with its locally set interest cover ratio target, it would be prudent to undertake a review of the HRA Business Plan including our capital investment plans, to explore if programmes could be rephased or re-prioritised to reduce the level of new borrowing required, at least until a time when interest rates start to fall. Clearly it is important to ensure the housing stock continues to receive the capital improvements required (e.g. decent homes works), to ensure the stock is fit for purpose and lettable, so that rental income underpinning the HRA is maintained.

### **Sensitivity Analysis**

- 7.26 A key part of business planning is understanding the factors that can influence the outputs, and their potential impact. Therefore, a number of sensitivities can be modelled, to see how they affect the base position. The following table sets out some examples of the sensitivity analysis undertaken and their resultant impact upon the 30 year HRA model, compared to the base position shown at Appendix E;

		Variation to Base Position			
		Scenario 1	Scenario 2	Scenario 3	Scenario 4
	Base Position	Reduction in Inflation of 1% over 30 Years	Increase in Inflation of 1% over 30 Years	Decrease in Inflation of 1%, Increase in RTB's by 10, Decrease in Mgt Costs by £200k in every Year	Increase in Inflation of 1%, Increase in RTB's by 10, Increase in Mgt Costs by £200k in every Year
Peak Debt Year	Year 25	Year 30	Year 10	Year 30	Year 10
Debt at Year 30	£307.9million	£371.7million	£313.6million	£391.4million	£317.4million
Capital Investment affordable over 30 Years	£610.0million	£541.8million	£692.3million	£537.9million	£686.6million
Surplus HRA Balance at Year 30	£2.6million	£2.6million	£2.6million	£2.6million	£2.6million

- 7.27 The sensitivity analysis in Scenarios 1 and 2 above demonstrates the impact that inflation can have on the long-term HRA model. If inflation increases, rental income (if following the Governments underlying rent policy) increases at a higher rate than expenditure. Also, a large proportion of our costs are not affected by inflation, such as the fixed rate interest costs on our borrowing. Consequently, rising inflation results in a net gain to the HRA. Conversely though, lower inflation results in a net loss to the HRA, as we receive less rental income than we save in lower costs. However, this whole principle is undermined by the imposition of below inflation caps on rent increases imposed by the Government, as demonstrated in the graphs in Appendix F.
- 7.28 The sensitivity analysis also demonstrates how a combination of variables can influence the modelling, such as changes in inflation rates, numbers of Right To Buy sales and variations in costs for example. Depending on the scale of these changes, they could either bring a significant benefit to/put pressure on the viability of the current plan or could actually be broadly neutral. Finally, the analysis above assumes any change would exist for each of the 30 years in the HRA, which is highly unlikely given the long timescale involved, and also assumes no corrective action would be taken if there were a negative impact, which clearly would not be the case. However, it aims to give an understanding of how changes could impact upon the current base 30 year HRA model.

## **8. Strategic Plan References**

- 8.1 The revenue estimates presented here link to the following areas of the Council's Strategic Plan 2021 to 2023:

### **Responding to the Climate Emergency**

- Reduce carbon emissions to help achieve a zero-carbon footprint for Council services for 2030
- Environment and sustainability imbedded in all Council decision making and the adaption and recovery from Covid-19

### **Tackling the causes of inequality and support our most vulnerable people**

- Support people to live in healthy homes that meet their needs

### **Increase the number, quality and types of homes**

- Improve existing Council homes to keep them in good repair and improve energy efficiency
- Continue to improve and modernise available housing for older people

### **Prevent households from experiencing homelessness**

- Work with partners to deliver the 2020-23 Homelessness and Rough Sleeping Action Plan
- Intervene early to prevent homelessness and work in partnership with other organisations to sustain people's accommodation
- Tackle rough sleeping in the Borough

### **Enable economic recovery from Covid 19 ensuring all residents benefit from growth**

- Ensure our Borough becomes stronger post Covid 19 by supporting businesses to recover, adapt and build resilience
- Develop opportunities to ensure the new economy is greener, sustainable and more resilient

### **Create an environment that attracts inward investment to Colchester help businesses to flourish**

- Encourage green technologies and innovative solutions to the Climate Emergency
- Maximise the social value benefits derived from third party contracts
- Ensure the Councils assets continue to contribute to economic growth and opportunity

## **9. Consultation and Publicity**

- 9.1 Both CCC and CBH recognise residents play a central role in future policy setting, with the potential consideration of service improvements that would lead to changes in charges for tenants, it is anticipated that an appropriate amount of consultation will be undertaken during the course of the financial year.
- 9.2 The Council has previously conducted a bi-annual Survey of Tenants and Residents (STAR) with the specific aim of obtaining customer feedback on satisfaction with services through a survey of general needs tenants, all sheltered tenants and leaseholders. From this CBH developed a resident engagement action plan to include more consultation with residents to help tenants and leaseholders understand and take responsibility and understand safety in their homes.

9.3 From April 2023 the Regulator of Social Housing has introduced a new set of Tenant Satisfaction Measures, collection of data will commence in April 2023. These satisfaction measures are intended to make landlords performance more visible to tenants and help tenants hold their landlord to account. Looking at each measure on its own it should be clear what it tells you about the landlord. Looking at all the measures together they should act as a package to show how well a landlord is performing in some key areas. The Regulator intends to publish the data annually, commencing in the Autumn of 2024, for all social housing providers. Engagement and consultation with tenants in the setting up of these measures has begun, a satisfaction survey will be conducted in September 2023.

9.3 Rent notices will be issued to all tenants and leaseholders in line with the Government standard period covering changes to rents and service charges for the new rent year commencing in April 2023

## **10. Financial Implications**

10.1 Are set out in this report.

## **11. Equality, Diversity and Human Rights Implications**

11.1 This report has no specific human rights implications. Consideration has been given to equality and diversity issues in respect of any budget changes proposed as part of the budget process. This has been done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

## **12. Community Safety Implications**

12.1 Through the delivery of improvements to our housing assets and the built environment, the Council seeks to achieve improved outcomes for residents across the borough. This contributes to a reduction in the occurrence of anti-social behaviour, and the incidences of crime through investment in external elements of properties, e.g. UPVC windows and doors, and door entry systems.

## **13. Health and Safety Implications**

13.1 This report has no significant Health and Safety implications

## **14. Risk Management Implications**

14.1 These have been taken into account in the body of the report.

## **15. Environmental and Sustainability Implications**

15.1 The Council has clear goals and objectives around tackling the climate challenge. The Asset Management Strategy includes how these can be supported and delivered over the next 5 years so that within the HRA the Council has a deliverable and affordable plan that will contribute to the net carbon footprint for Council services. The Housing Investment Programme for includes provision for works to ensure that the housing stock reaches EPC C by 2030.

***Appendices***

- Appendix A - Housing Revenue Account Estimates 2023/24
- Appendix B - HRA Balances Statement
- Appendix C - Medium Term Financial Forecast
- Appendix D - HRA Balances Risk Management Assessment
- Appendix E - 30 Year Financial Model
- Appendix F – Graph showing 2022/23 Debt Profile, 2023/24 Debt Profile with no Rent Cap, and 2023/24 Debt Profile with Rent Cap imposed

***Background Papers***

- None

	<b>COLCHESTER BOROUGH COUNCIL</b>		
	<b>Revenue Estimates 2023/24</b>		
	<b>Housing Revenue Account</b>		
	<b>Summary</b>		
<b>2021/22</b>		<b>2022/23</b>	<b>2023/24</b>
<b>Actuals</b>	<b>Expenditure &amp; Income Analysis</b>	<b>Revised</b>	<b>Original</b>
		<b>Budget</b>	<b>Budget</b>
<b>£000's</b>		<b>£000's</b>	<b>£000's</b>
	<b>INCOME</b>		
(26,629)	Dwelling Rents (Gross)	(28,064)	(30,131)
(1,053)	Non-Dwelling Rents (Gross)	(1,057)	(1,189)
(2,478)	Charges for Services and Facilities	(2,686)	(3,283)
(55)	Contributions towards Expenditure	(55)	(65)
<b>(30,215)</b>	<b>Total Income</b>	<b>(31,862)</b>	<b>(34,668)</b>
	<b>EXPENDITURE</b>		
5,535	Repairs and Maintenance	5,748	6,521
3,834	CB Homes Ltd Management Fee	4,061	4,872
5,873	Management Costs	6,565	7,691
216	Rents, Rates and Other Charges	171	190
80	Increased provision for Bad or Doubtful Debts	250	250
4,303	Interest Payable	5,366	6,045
5,031	Depreciation and Impairments of Fixed Assets	6,000	6,000
-	Amortisation of Deferred Charges	3	-
61	Debt Management Costs	52	58
<b>24,933</b>	<b>Gross Expenditure</b>	<b>28,216</b>	<b>31,627</b>
<b>(5,282)</b>	<b>Net Cost of Services</b>	<b>(3,646)</b>	<b>(3,041)</b>
1,852	Net HRA Income from the Asset Management Account	(3)	-
(1,852)	Disposal of Fixed Assets	-	-
(13)	HRA Investment Income (including mortgage interest and interest on Notional Cash Balances)	(12)	(263)
<b>(5,295)</b>	<b>Net Operating Expenditure</b>	<b>(3,661)</b>	<b>(3,304)</b>
5,229	Revenue Contribution to Capital Expenditure	3,979	3,304
<b>(66)</b>	<b>Deficit/(Surplus) for the Year</b>	<b>318</b>	<b>-</b>
(4,489)	Deficit/(Surplus) at the Beginning of the Year	(4,555)	(4,237)
(66)	Deficit/(Surplus) for the Year	318	-
(4,555)	Deficit/(Surplus) at the End of the Year	(4,237)	(4,237)

**Housing Revenue Account - Estimated Balances**

	£'000
<b>Balance as at 1 April 2022</b>	<b>(4,555)</b>
<b>Committed</b> - Capital Spending in 2022/23 and onwards	2,637
Less budgeted deficit/use of balances in 2022/23	318
Less forecast outturn position in 2022/23	-
<b><i>Unallocated balance at 31st March 2023</i></b>	<b>(1,600)</b>
Less Proposed Use of balances in 23/24 Budget	-
<b>Estimated uncommitted balance at 31st March 2024</b>	<b>(1,600)</b>
<b>Recommended level of Balances</b>	<b>(1,600)</b>
<b>Forecast balances above prudent level at 31<sup>st</sup> March 2024</b>	<b>-</b>

**Note:**

This forecast is on the basis that there are no further calls on balances during the remainder of the year.



## Housing Revenue Account – Medium Term Financial Forecast

<b>Area</b>	<b>Revised Budget 22/23</b>	<b>Budget 23/24</b>	<b>Budget 24/25</b>	<b>Budget 25/26</b>	<b>Budget 26/27</b>	<b>Budget 27/28</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Income</b>						
Housing Rents	(28,064)	(30,131)	(31,663)	(33,859)	(35,066)	(36,407)
Other Income	(3,798)	(4,537)	(4,758)	(4,897)	(4,993)	(5,091)
	<b>(31,862)</b>	<b>(34,668)</b>	<b>(36,421)</b>	<b>(38,757)</b>	<b>(40,059)</b>	<b>(41,498)</b>
<b>Expenditure</b>						
Repairs & Maintenance	5,748	6,521	6,373	6,497	6,627	6,759
Running Costs	11,047	13,003	13,167	12,856	13,291	13,505
Interest Payable	5,366	6,045	6,987	8,246	9,158	9,560
Depreciation	6,000	6,000	6,314	6,713	7,053	7,212
Other Capital Financing	40	(205)	(24)	(5)	15	13
RCCO	3,979	3,304	3,603	4,450	3,915	4,449
Contribution to Balances	0	0	0	0	0	0
Other	0	0	0	0	0	0
	<b>32,180</b>	<b>34,668</b>	<b>36,421</b>	<b>38,757</b>	<b>40,059</b>	<b>41,498</b>
<b>Budgeted (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Forecast 2022/23 underspend	0	0	0	0	0	0
<b>Revised (Surplus)/Deficit</b>	<b>318</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Opening Balance	<b>(4,555)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>
Committed Balance	<b>2,637</b>	-	-	-	-	-
(Surplus)/Deficit	<b>318</b>	-	-	-	-	-
<b>Uncommitted Closing Balance</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>	<b>(1,600)</b>

\* It should be noted that it is currently forecast the HRA will be overspent by £338k in 2022/23, which will result in a reduced RCCO in the year. Clearly, if this level of overspend is not achieved, then there will be a resultant impact upon the level of RCCO we are able to make, and thus a knock-on impact on the amount of any new borrowing required.

## Review of Housing Revenue Account Balances 2023/24

## Risk Management Assessment

Factor	Assessed Risk		
	High £'000	Medium £'000	Low £'000
Cash flow (1% of £60m)	600		
Interest Rate (1.0% on £119m)		1,190	
Inflation (2% on Mgt & Mtce expenditure)		320	
Litigation			50
Welfare Reform	250		
	850	1,510	50

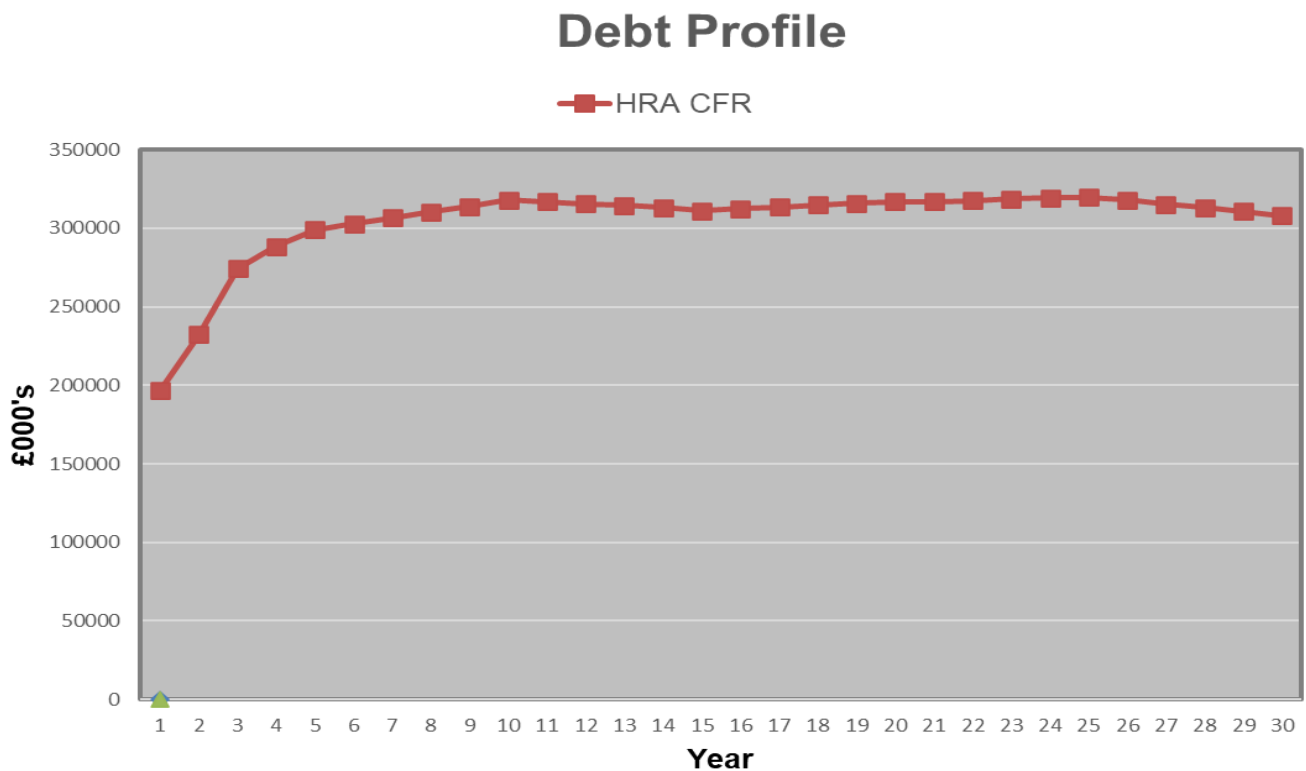
	Minimum Provision £'000
High Risk – 100%	850
Medium – 50%	755
Low – 10%	5
<b>Sub Total</b>	<b>1,610</b>
Other - say	(10)
<b>Recommended Prudent Level</b>	<b>1,600</b>

## Housing Revenue Account – 30 Year Financial Model

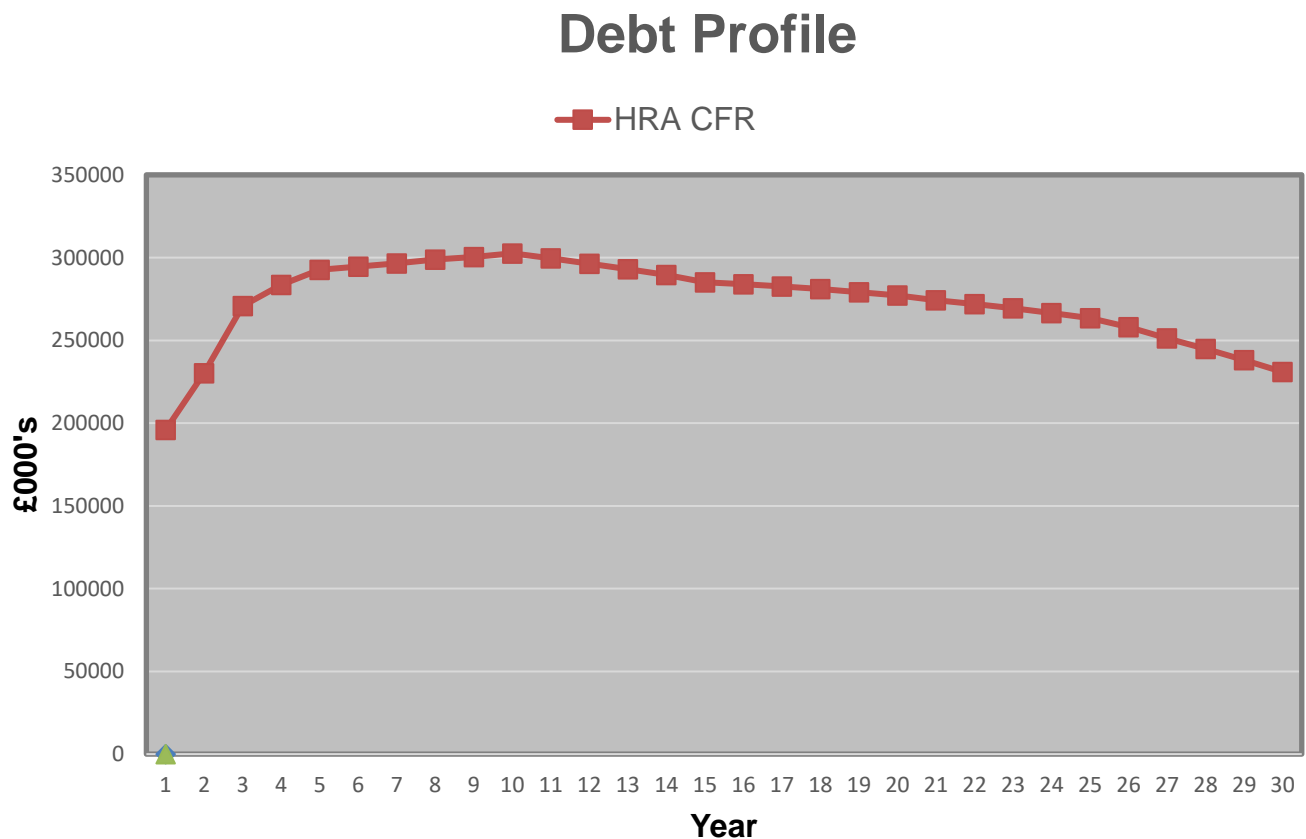
## Appendix E

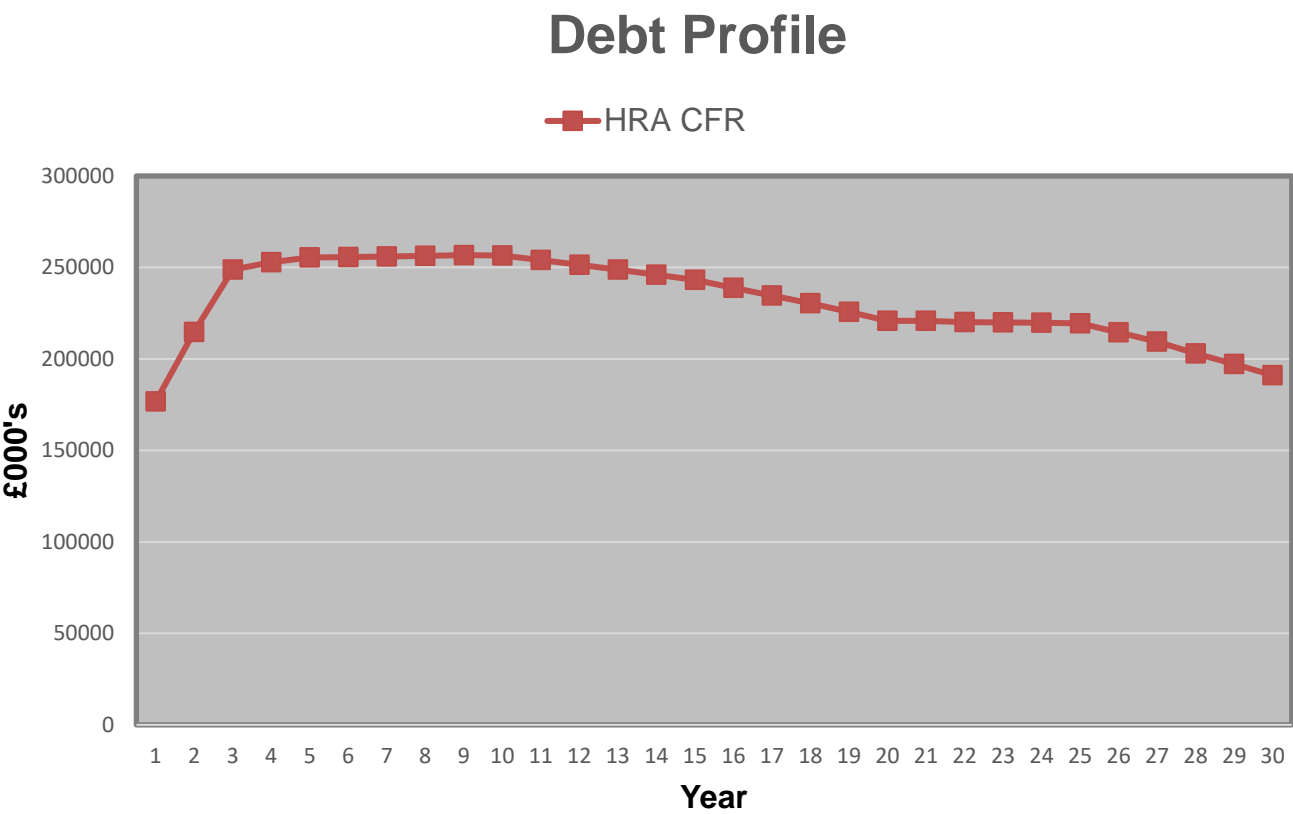
	<u>Year 1</u> <u>2023/24</u> <u>£000's</u>	<u>Year 2</u> <u>2024/25</u> <u>£000's</u>	<u>Year 3</u> <u>2025/26</u> <u>£000's</u>	<u>Year 4</u> <u>2026/27</u> <u>£000's</u>	<u>Year 5</u> <u>2027/28</u> <u>£000's</u>	<u>Year 1-5</u> <u>Total</u> <u>£000's</u>	<u>Year 6-10</u> <u>Total</u> <u>£000's</u>	<u>Year 11-15</u> <u>Total</u> <u>£000's</u>	<u>Year 16-20</u> <u>Total</u> <u>£000's</u>	<u>Year 21-25</u> <u>Total</u> <u>£000's</u>	<u>Year 26-30</u> <u>Total</u> <u>£000's</u>
<b>Revenue Account</b>											
Income	(34,668)	(36,421)	(38,757)	(40,059)	(41,498)		(219,747)	(240,665)	(262,944)	(289,082)	(316,866)
Expenditure	34,668	36,421	38,757	40,059	41,498		219,581	240,480	262,742	288,858	316,618
(Surplus)/Deficit	0	0	0	0	0		(166)	(185)	(202)	(224)	(248)
Opening HRA Balance (Surplus)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)		(1,600)	(1,766)	(1,951)	(2,153)	(2,377)
Closing HRA Balance (Surplus)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)		(1,766)	(1,951)	(2,153)	(2,377)	(2,625)
<b>Capital Account</b>											
<i>Investment:</i>											
Stock Investment Programme	12,342	14,114	12,795	14,298	15,191	68,740	79,906	62,598	85,103	94,333	92,828
Sheltered Accommodation Review	0	2,390	8,291	3,269	1,271	15,221	0	0	0	0	0
Property Acquisitions	12,000	7,344	7,491	7,641	7,794	42,270	0	0	0	0	0
New Build	4,440	29,739	32,185	2,689	0	69,053	0	0	0	0	0
<b>Total</b>	<b>28,782</b>	<b>53,587</b>	<b>60,762</b>	<b>27,897</b>	<b>24,256</b>	<b>195,284</b>	<b>79,906</b>	<b>62,598</b>	<b>85,103</b>	<b>94,333</b>	<b>92,828</b>
<i>Funded By (Resources):</i>											
Depreciation	(6,000)	(6,314)	(6,713)	(7,053)	(7,212)	(33,292)	(37,989)	(41,565)	(45,524)	(49,857)	(54,598)
Revenue Contribution	(3,304)	(3,603)	(4,450)	(3,915)	(4,449)	(19,721)	(23,151)	(21,033)	(33,903)	(41,449)	(38,230)
Grant	0	(4,988)	(3,785)	0	0	(8,773)	0	0	0	0	0
HRA Reserves	(2,280)	(3,218)	(3,898)	(2,768)	(2,078)	(14,242)	0	0	0	0	0
New Borrowing	(17,198)	(35,464)	(41,916)	(14,161)	(10,517)	(119,256)	(18,766)	0	(5,676)	(3,028)	0
<b>Total</b>	<b>(28,782)</b>	<b>(53,587)</b>	<b>(60,762)</b>	<b>(27,897)</b>	<b>(24,256)</b>	<b>(195,284)</b>	<b>(79,906)</b>	<b>(62,598)</b>	<b>(85,103)</b>	<b>(94,333)</b>	<b>(92,828)</b>
<b>Debt:</b>											
HRA Debt at Year End	197,054	232,518	274,434	288,595	299,112		317,878	311,136	316,812	319,840	307,950

**1/. 2023/24 HRA Debt Profile with a 7% rent cap as included in Section 7 of this report**



**2/. 2023/24 HRA Debt Profile with no rent cap and with all other assumptions unchanged**







Report of **Chief Operating Officer**

Author

**Darren Brown**  
☎ 282891

Title **Housing Investment Programme 2023/24**

Wards affected **All**

## 1. Executive Summary

- 1.1 This report sets out a summary of the proposed allocation of **£28.782million** of new resources to the Housing Investment Programme for 2023/24, along with the sources of funding. It also includes at Appendix A an indication of the potential expenditure requirements and funding sources for the years 2024/25 to 2027/28.

## 2. Recommended Decision

- 2.1 To approve the Housing Investment Programme for 2023/24.
- 2.2 To note the Capital Medium Term Financial Forecast (CMTFF) set out at Appendix A.

## 3. Reasons for Decision

- 3.1 Each year as part of the process to agree the Council's revenue and capital estimates the Cabinet is required to agree the allocations to the Housing Stock Investment Programme. These allow for work to be undertaken to maintain, improve, and refurbish the housing stock and its environment.
- 3.2 Members annually agree to accept a proposed 5 year Housing Investment Programme (HIP) in principle as the framework for procuring housing related planned works, improvements, responsive and void works and cyclical maintenance.
- 3.3 The proposed investment programme is linked to the Asset Management Strategy (AMS) and reviewed annually in the light of available resources and for each annual allocation to be brought to Cabinet for approval as part of the overall HIP report.
- 3.4 The Colchester Borough Homes (CBH) Board have considered the content of the Cabinet report submitted and is now seeking approval for the 2023/24 Capital programme.
- 3.5 This report seeks the release of funds under grouped headings as described in the AMS and supported by the Management Agreement dated 9<sup>th</sup> August 2013, which governs the contractual relationship between Colchester Borough Council (CBC) and CBH.

#### **4. Supporting Information**

##### ***Key Issues for 2023/24***

- 4.1 This is the twelfth year of Housing Revenue Account (HRA) Self-Financing, and the continued investment in the housing stock and other projects is reflected in this report.
- 4.2 The Council has reviewed its Asset Management Strategy and the outputs are reflected in this report.
- 4.3 This report is considered as part of agreeing the Housing Revenue Account (HRA) estimates as the funding for the HIP, which covers capital investment in the housing stock, is very much linked to the overall level of resources for housing.

#### **5. Funding the Housing Investment Programme**

- 5.1 2023/24 is the twelfth year of the HRA self-financing regime. This fundamentally changed the way in which Council Housing is financed, and as a consequence a financial model for the HRA has been developed, which forecasts the HRA and HIP for each of the next 30 years, using a range of assumptions on areas such as inflation, stock numbers, future expenditure and income levels etc. This is considered further in the 2023/24 HRA Estimates report elsewhere on the agenda. The source of resources, and the priority order in which it is assumed they will be used to fund capital expenditure in the 2023/24 HIP budget and financial forecasts are as follows;
  - Specific Areas of Finance (e.g. Grants),
  - Capital Receipts,
  - Major Repairs Reserve (Depreciation),
  - Revenue contributions to capital (RCCO),
  - New Additional Borrowing
- 5.2 The assumption made when prioritising resources to fund the HIP is that resources specifically designated to the programme will be used first, followed by capital receipts. This is so the receipts can be re-invested in affordable housing and be retained locally and not be clawed back by Central Government under the capital receipts pooling arrangements. The next form of resource to be used is the Major Repairs Reserve, which is the reserve that is built up from the depreciation charge to the HRA. This is the resource that is set aside to maintain the housing stock in its current form and condition. If there are insufficient resources within the Major Repairs Reserve to fund all of the capital works in the year, then the next call on funding is revenue. The amount of this resource will depend on the level of balances within the HRA and the extent to which they are directed to the HIP, as opposed to other budget priorities.
- 5.3 Finally, should there be insufficient revenue resources to fund the overall programme the assumption is that the Council will undertake HRA borrowing to fully fund the HIP. This is assumed to be the lowest priority source of funding, to minimise the resultant additional interest costs that would be incurred by the HRA. Further borrowing will be undertaken following the prudential borrowing code, which states that it must be affordable. Should the Council decide it does not want to undertake additional HRA borrowing or use revenue resources etc, then the Council would need to re-consider the programme of works proposed and the corresponding budget provision. This could include foregoing works, or re-profiling the year in which they are undertaken.



## **6. 2023/24 Programme of Works**

- 6.1 The requested budget allocation for the 2023/24 programme is £28.782 million. A further breakdown of the areas of work that are planned to be undertaken is shown at paragraph 9.
- 6.2 As part of the management agreement which commenced in August 2013 between the Council and CBH, the management fee was expanded to reflect the wider range of services CBH now provides on behalf of the Council, so it incorporates the fee for managing the capital programme. Members are therefore asked to note that the requested budget allocation in paragraph 6.1, and the budget sums included in paragraph 9 and Appendix A all include the fee for managing the capital programme, which for 2023/24 totals £1,713,000. A further breakdown of the management fee is included in the HRA Revenue Estimates report elsewhere on the agenda.
- 6.3 Cabinet have previously considered proposals for new projects using HRA borrowing, such as continuing new build plans and increasing Council housing stock through acquisitions. These proposals continue to be reflected in the Housing Investment Programme, with further information provided in the following paragraphs.

## **7. HRA Capital Medium Term Financial Forecast - 2023/24 to 2027/28**

- 7.1 As previously stated, Cabinet agreed in principle to accept a proposed 5 year HIP subject to overall budget considerations. As a result, expenditure proposals have been included in the capital medium term financial forecast at Appendix A and updated to take account of previous years being completed and new updated year's being introduced.

### *New Build*

- 7.2 The budget for 2023/24 includes a provision of £3.300m for further Council new build schemes and also includes a provision of £1.140million to purchase properties developed by Colchester Amphora Homes for the Council. It should be noted that a number of assumptions have to be made on the timing and cost of these projects, but the budgets will be monitored and revised as part of the annual budget setting and capital monitoring processes. Further estimated provision has been made in subsequent years for these schemes in the CMTFF.

### *Acquisitions*

- 7.3 A provision of £12.000million has been made to continue the programme of buying properties, through a combination of properties offered back to the Council through the Right to Buy (RTB) legislation, and via the open market. This includes those properties which were not purchased during 21/22 given the focus on the 100 homes acquisition in that financial year, which was reported in the Quarter 2 Capital Monitoring report to Governance and Audit Committee on 23<sup>rd</sup> November 2021. Further estimated provision has been made in the CMTFF.
- 7.4 The 2023/24 budget does not include provision for any new expenditure relating to the Sheltered Housing refurbishment programme, but provision has been made in subsequent years in the CMTFF for the continued investment in this programme.
- 7.5 The estimated RCCO in 2023/24 is £3.304million, which is broadly in-line with the assumptions in the current business plan. In the years prior to HRA Self-Financing, the RCCO had been used to fund non-works programmes. However, as indicated in the HIP report agreed by Cabinet on 25<sup>th</sup> January 2012, RCCO's have been available to support the works element of the capital programme for 2013/14 onwards. These increased contributions have been affordable as under HRA Self-Financing the Council retains all rental income.

- 7.6 Members will be aware that the Council entered into agreement with DCLG in 2012 to retain additional RTB receipts to deliver new affordable housing. As a reminder, retained receipts can only be used on delivering new additional units of accommodation, not on refurbishing existing schemes. The proposals already approved by Cabinet and included in the CMTEFF should minimise the amount that has to be repaid to Government.

## **8. Priorities for the Council**

- 8.1 To implement the Colchester Housing AMS, that has been updated to reflect the revised investment plan, as the basis for long term planning, provision and sustainability of Colchester Borough Council's housing assets.
- 8.2 To allocate appropriate funding to CBH within the resources that are available to enable stock investment to proceed, improving housing conditions for our tenants.
- 8.3 To ensure that having achieved delivery of the decent homes' targets in December 2011 that the overall level of decency is maintained at the end of any one financial year but ensure compliance on a five-yearly basis.
- 8.4 To build upon current monitoring arrangements and ensure programme delivery and the effective targeting of resources particularly in respect of maintaining the value of the asset and providing Adaptations for our customers with disabilities.

## **9. Proposals**

- 9.1 The report sets out below a summary of the proposed allocation of new resources for 2023/24 as defined by the AMS, as well as those outlined in this report, with the following comments setting out the basis of the allocation.
- 9.2 **Capital Investment Programme - £7.633million** – This allocation supports the AMS and acknowledges the work required to allow the decency standard to be maintained, in the current existing stock and resulting from the acquisitions programme, therefore this substantial proportion of the overall allocation is recommended.
- 9.3 **Aids & Adaptations - £0.700million** - This continues to support the budget at historic levels. The proposed allocation achieves the requirement to adapt Council dwellings to meet the special needs of our customers and meet the high priority that Members place on this service.
- 9.4 **Building Safety - £0.545million** - This allocation supports the additional requirements that the emerging Building Safety Act 2023 places on social housing stock providers to provide a robust framework to ensure that building safety works meets the new requirements.
- 9.5 **Emergency Failures (statutory obligation) and Voids - £0.933million** – This allocation supports the AMS, and the experience gained through the management controls being exercised. It reflects the necessity to recognise capital works in the voids process along with emergency failures.
- 9.6 **Emergency failures structural works - £0.140million** – As with the previous allocation this reflects the AMS and the experience gained through the management controls being exercised. The work is generally associated with premature failure of structural elements.
- 9.7 **Environmental Works - £1.020million** - This allocation supports the AMS by continuing to address the improvements to the overall estate living environment. It will include door entry systems, block communal improvements, boundary works and PVC installations to continue to reduce the revenue reliance on painting programmes.

- 9.8 **Asbestos, Legionella, Fire Safety and Overall Contingency - £1.078million** – This allocation recognises the need to continue to proactively manage our statutory obligations in the defined areas and provides a general contingency to cover the whole of the programme together with survey work
- 9.9 **Garages - £0.233million** – This investment in the garage stock is intended to secure additional revenue income that will support the business plan in future years. We have seen a return on the investment made in previous financial years by increased garage tenancies and fewer empty garages on the sites that have been refurbished.
- 9.10 **Non-Works Programmes - £0.060million** – This allocation is for capital costs linked to the further development of the Housing management system.
- 9.11 **Acquisitions - £12.000million** – As set out in the main body of the report, this allocation supports the potential to Buy Back properties offered back to the Council through the Right to Buy legislation and purchasing properties on the open market. This allocation provides the opportunity to use funding through retained 1-4-1 Right to Buy receipts, with the balance coming from prudential borrowing.
- 9.12 **New Build - £4.440million** – As set out in the main body of the report, this allocation supports the plans previously considered by Cabinet.

## **10. Strategic Plan References**

- 10.1 The HIP links to the following areas of the Councils strategic plan:
- 10.2 The Better Colchester Strategic Plan 2020-2023 sets out clearly the Councils priorities. The services and projects delivered by CBH contribute directly to the following priority areas and their goals will be overseen through the Asset Management and Capital Monitoring Group(s), using the Asset Management Strategy Action Plan that is in development to track progress against the Strategy and the Business Plan:

### **Responding to the Climate Emergency**

- Reduce carbon emissions to help achieve a zero-carbon footprint for Council services for 2030
- Environment and sustainability imbedded in all Council decision making and the adaption and recovery from Covid-19

### **Tackling the causes of inequality and support our most vulnerable people**

- Support people to live in healthy homes that meet their needs

### **Increase the number, quality and types of homes**

- Improve existing Council homes to keep them in good repair and improve energy efficiency
- Continue to improve and modernise available housing for older people

### **Prevent households from experiencing homelessness**

- Work with partners to deliver the 2020-23 Homelessness and Rough Sleeping Action Plan
- Intervene early to prevent homelessness and work in partnership with other organisations to sustain people's accommodation
- Tackle rough sleeping in the Borough

### **Enable economic recovery from Covid 19 ensuring all residents benefit from growth**

- Ensure our Borough becomes stronger post Covid 19 by supporting businesses to recover, adapt and build resilience
- Develop opportunities to ensure the new economy is greener, sustainable and more resilient

**Create an environment that attracts inward investment to Colchester help businesses to flourish**

- Encourage green technologies and innovative solutions to the Climate Emergency
- Maximise the social value benefits derived from third party contracts
- Ensure the Councils assets continue to contribute to economic growth and opportunity

**11. Consultation**

- 11.1 The Council has previously conducted a bi-annual Survey of Tenants and Residents (STAR) with the specific aim of obtaining customer feedback on satisfaction with services through a survey of general needs tenants, all sheltered tenants and leaseholders. From this CBH developed a resident engagement action plan to include more consultation with residents to help tenants and leaseholders understand and take responsibility and understand safety in their homes.
- 11.2 Further engagement will also be required to increase understanding of climate change and net zero carbon, so tenants understand what has to be done and how this will be done to achieve our goals and aspirations in managing our assets.

**12. Publicity Considerations**

- 12.1 Any housing investment has a significant impact on the quality of life for local people. As a consequence the targeting and effectiveness of the programme has huge interest for members and the public as a whole. It is recognised that ongoing publicity will need to be conducted particularly as existing programmes continue and new capital programmes are introduced. Updates will be publicised to the customers in the areas to receive work during the year. There also needs to be a communication strategy to ensure that social housing residents develop a greater awareness of issues relating to climate change and how investment in their homes will contribute towards carbon reduction. Updates will be publicised to the customers in the areas to receive work during the year.

**13. Financial implications**

- 13.1 As set out in the report.

**14. Equality, Diversity and Human Rights implications**

- 14.1 An impact assessment has been prepared and can be viewed through the following link

<http://www.colchester.gov.uk/article/12743/Commercial-Services>

**15. Community Safety Implications**

- 15.1 Through the delivery of improvements to our housing assets and the built environment, the Council seeks to achieve improved outcomes for residents across the borough. This contributes to a reduction in the occurrence of anti-social behaviour, and the incidences of crime through investment in external elements of properties, e.g. UPVC windows and doors, and door entry systems. The impact of HIP works are therefore generally thought to be positive.

**16. Health and Safety Implications**

- 16.1 CBH will be responsible for implementing the delivery of this programme in a manner that reflects Health and Safety legislation, although the Council does retain the responsibility to ensure that all procedures are in place and being implemented.
- 17. Risk Management Implications**
- 17.1 Risk management will be considered as the programme is developed, particularly the issues around the introduction of new programmes of work.
- 18. Environmental and Sustainability Implications**
- 18.1 The environmental and sustainability implications of individual work programmes will be thoroughly assessed and considered through the procurement process for each contract. The Council has clear goals and objectives around tackling the climate challenge. The Asset Management Strategy includes how these can be supported and delivered over the next 5 years so that within the HRA the Council has a deliverable and affordable plan that will contribute to the net carbon footprint for Council services. The Housing Investment Programme for includes provision for works to ensure that the housing stock reaches EPC C by 2030.
- 18.2 We have submitted a bid for grant funding from the Social Housing Decarbonisation Fund. The bid is to complete £2.6million of work to some of our HRA homes to exceed the EPC C banding and reduced costs for our tenants, of which £1million being grant funded. The result of the bid is due to be announced in February 2023.

### ***Appendices***

- Appendix A – HRA Capital Medium Term Financial Forecast 2023/24 to 2027/28

### ***Background Papers***

- None

## HRA Capital Medium Term Financial Forecast – 2023/24 to 2027/28

## Appendix A

<b>Expenditure</b>	Notes	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Stock Investment Programme etc		11,582	13,345	12,019	13,492	14,360
Sheltered Accommodation Review		-	2,390	8,291	3,269	1,271
Adaptations		700	706	711	740	763
<b>Stock Investment Sub - Total</b>		<b>12,282</b>	<b>16,441</b>	<b>21,021</b>	<b>17,501</b>	<b>16,394</b>
New Build		4,440	29,739	32,185	2,689	-
Acquisitions		12,000	7,344	7,491	7,641	7,794
ICT		60	63	65	66	68
<b>Other Works Sub - Total</b>		<b>16,500</b>	<b>37,146</b>	<b>39,741</b>	<b>10,396</b>	<b>7,862</b>
<b>Total Programme</b>		<b>28,782</b>	<b>53,587</b>	<b>60,762</b>	<b>27,897</b>	<b>24,256</b>

<b>Resources</b>	Notes	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Major Repairs Reserve		6,000	6,314	6,713	7,053	7,212
Revenue Contribution to Capital		3,304	3,603	4,450	3,915	4,449
Grants		-	4,988	3,785	-	-
Retained RTB Receipts Reserve		2,280	3,218	3,898	2,768	2,078
New Borrowing		17,198	35,464	41,916	14,161	10,517
<b>Total Funding</b>		<b>28,782</b>	<b>53,587</b>	<b>60,762</b>	<b>27,897</b>	<b>24,256</b>

<b>Report of</b>	<b>Assistant Director of Place and Client Services</b>	<b>Author Terri Hamilton</b> ☎ 07870 542949
<b>Title</b>	<b>Homes England Compliance Audit Report – Social Housing Development</b>	
<b>Wards affected</b>	Lexden and Braiswick	

## 1. Executive Summary

- 1.1 The Council agreed (at Cabinet on 30 January 2019) ambitious plans to deliver a “New Council Housing Programme” that will deliver up to 350 extra affordable homes over 5 years. Several schemes have been delivered to provide new homes through different methodologies. One of these methods is to build new homes on underused garage sites, with different Phases in the 5-year programme. Phase 2 has now completed and Phase 3 has seen planning permission obtained at 5 sites now getting ready for construction.
- 1.2 In March 2021, Cabinet gave approval for the Council to bid for grant funding from Homes England towards its affordable housing development programme, by applying for Investment Partner Status. The Council was successful in its application and has received various grant funding towards the affordable housing developments totalling £1.44m so far.
- 1.3 As a requirement of the Investment Partner Status, and receipt of this grant, the Council are subject to an annual compliance audit that must be reported back to the Cabinet. This report sets out the first compliance audit from Homes England to meet this requirement and also provides assurance that the Council has met all of Homes England’s requirements and funding conditions, properly exercising all of the responsibilities as a Council. The review was completed by Homes England’s internal auditors and the National Audit Office.

## 2. Recommended Decision

- 2.1 To note the contents of the report..

## 3. Reason for Recommended Decision

- 3.1 Homes England have given grant funding towards several of the Council’s “New Council Housing programme” social housing developments. It is a requirement of the Homes England grant funding, and the Council’s achieved “Investment Partner Status”, that an annual compliance check is undertaken and that the findings are reported to the Cabinet. Homes England have selected a site at random, which has been audited, and the Council has met all of the funding obligations.

## 4. Alternative Options

- 4.1 Not applicable

## 5. Background Information

- 5.1 In January 2019, Cabinet approved Housing Revenue Account (HRA) borrowing of up to £75m to deliver up to 350 new council homes over 5 years. Since the approval of the “New Council Housing Programme”, the Council has progressed a number of development projects in partnership with Colchester Amphora Homes Ltd (CAHL), the Council’s wholly owned development company, and Colchester Borough Homes (CBH), the Council’s ALMO.
- 5.2 In September 2020, as the New Council Housing Programme progressed, Homes England launched the 2021 to 2026 Affordable Homes Programme, inviting applications for bids from December 2020 under Continuous Market Engagement (CME). The 2021-2026 Affordable Homes Programme made £7.39bn available to deliver up to 130,000 affordable homes from April 2021 to March 2026. The programme supports both Social and Affordable Rented tenures as well as Routes into Home Ownership.
- 5.3 In March 2021, Cabinet gave approval for the Council to bid for grant funding from Homes England towards its affordable housing development programme, by applying for Investment Partner Status. The Council was successful in its application and has claimed approximately £1.44m of grant funding towards the affordable housing developments since that time.
- 5.4 As part of the funding requirements, Homes England have selected a site at random from some of the projects that were being completed by the Council. Specifically, the Phase 2 Garage Sites, that delivered 16 new build affordable homes at Scarfe Way, Buffett Way and Hardings Close, and a further 10 affordable homes at Creffield Road and Military Road.
- 5.5 Hardings Close was selected for audit by Homes England in quarter 2 of 2022. The Audit Report and recommendations are required to be brought to the attention of Cabinet. This report meets that requirement, and demonstrates, for the record, that the Cabinet met, in full, and viewed the attached Compliance Audit Report, highlighting that all compliance checks, as required in receiving the Homes England grant funding, have been met for this site.
- 5.6 The Council received the compliance audit report for Hardings Close in November 2022. The full report is attached as Appendix A for the Cabinet’s review. The next audit will be due in quarter 2 of 2023.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 There are none relevant to this specific report, but the New Council Housing Programme is aimed at providing homes to those most in need, including a higher disproportionate percentage of vulnerable residents compared to the general population in private homes.

## **7. Strategic Plan References**

- 7.1 Not applicable – for noting only.

## **8. Consultation**

- 8.1 Not applicable – for noting only.



## **9. Publicity Considerations**

9.1 Not applicable – for noting only.

## **10. Financial implications**

10.1 The Council has received £1.44m of grant funding, from Homes England, for the New Council Housing Programme, to date. Homes England will continue to provide grant funding towards new social homes delivered through the rest of the Programme. Therefore, compliance with their funding requirements is beneficial to the financial viability of delivering new homes within the Housing Revenue Account (and by extension helps the Council budgets with continuing to deliver wider works such as maintenance of existing properties and carbon reduction / energy efficiency works).

## **11. Health, Wellbeing and Community Safety Implications**

11.1 Not applicable – for noting only.

## **12. Health and Safety Implications**

12.1 Not applicable – for noting only.

## **13. Risk Management Implications**

13.1 Not applicable – for noting only.

## **14. Environmental and Sustainability Implications**

14.1 Not applicable – for noting only.

*Appendix A – Compliance Audit Report – Hardings Close*



# Compliance Audit Report – 2022/23

## 22UG – Colchester Borough Council

<b>Final Grade</b>	Green - Meets requirements
<b>Independent Auditor Organisation</b>	TIAA LTD
<b>Independent Auditor Name</b>	Peter Harrison

### Report Purpose and Objectives

The purpose of the Compliance Audit report is to confirm that grant recipients have met Homes England's funding conditions and contractual requirements and have properly exercised their responsibilities as set out in the Capital Funding Guide.

We use the audit findings (which are confidential between Homes England and the grant recipient) to inform our future investment decisions and to reassure the Homes England Chief Accounting Officer that public funds have been properly used.

Where findings have been determined as breaches they are then used as the basis for recommendations and final grades for Providers. Grades of green, amber or red are awarded; definitions are provided at the end of this report. Where applicable the Provider is to use the recommendations to prevent similar breaches from reoccurring in the future and to aid good governance for complying with Homes England's policies, procedures and funding conditions.

Information about the audit process and guidance is available at:  
<https://www.gov.uk/guidance/compliance-audit>

### Compliance Audit Grade and Judgement Summary

<b>Final Grade</b>	Green - Meets requirements
<b>Judgement Summary</b>	On review of the evidence provided, the outcome of the audit has shown the provider has complied with all the programme requirements and guidance. A GREEN grade has been assigned and no breaches were identified.



## Scheme/Completions details

Scheme ID/ Completion ID	Address/Site ID	Scheme type
1047279	Hardings Close, CO6 3RD	Rent

## Audit Results

Number of Schemes/Completions Audited	1
Number of Breaches Assigned	0
Number of High Severity Breaches	0
Number of Medium Severity Breaches	0
Number of Low Severity Breaches	0

## Provider's Acknowledgement of Report

The contents of this report including all recommendations must be acknowledged by your Board's Chair or equivalent. Confirmation of this acknowledgement must be recorded in the IMS Compliance Audit System by your Compliance Audit Lead no later **than three calendar months** of the report email notification being sent.

Report acknowledged by:

Date:

## Confidentiality

The information contained within this report has been compiled purely to assist Homes England in its statutory duty relating to the payment of grant to the Provider. Homes England accepts no liability for the accuracy or completeness of any information contained within this report. This report is confidential between Homes England and the Provider and no third party can place any reliance upon it.

## Compliance Audit Grade Definitions

<b>Green Grade</b>	No high or medium severity breaches identified, although there may be low breaches identified. The Homes England audit report shows that the provider
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	has a satisfactory overall performance but may identify areas where minor improvements are required.
<b>Amber Grade</b>	One or more medium severity breaches identified. The Homes England audit report will show that the provider has failed to meet some requirements but has not misapplied public money. The provider will be expected to correct identified problem(s) in future schemes and current developments.
<b>Red Grade</b>	One or more high level severity breaches identified, the Homes England audit report shows that the provider has failed to meet some requirements and there has been a risk of misapplication of public funds.



**Motion referred from Council: Waste and Recycling Services in Highwoods**

The motion below was submitted to the Council meeting on 1 December 2022. As the subject matter relates to an executive function, on being proposed the motion stood referred direct to Cabinet.

**Waste and Recycling Services in Highwoods**

Proposer: Councillor Law

*This Council notes:*

*Highwoods residents have not been formally consulted by the Council on how their waste and recycling is collected since 2016.*

*Residents have been frustrated by previous local surveys that have not provided an online option to respond.*

*Highwoods residents deserve to have clean and tidy streets.*

*Simpler and uniform collection services deliver better value for residents and local council taxpayers, improve recycling rates and reduce waste sent to landfill*

*This Council resolves:*

*To give Highwoods residents the option to make their views known on how their waste and recycling collections are delivered in the future.*





# PETITIONS, PUBLIC STATEMENTS, QUESTIONS

## (i) Have Your Say submissions from members of the public

Date of Meeting	Details of Members of the Public	Subject Matter	Form of Response	Date Completed
Cabinet, 16 November 2022	Sir Bob Russell	The proposal to install planters and trees on North Station Road, given the current budget pressures.  Renaming of Colchester Town station.  The use of online consultation tools	Verbal response provided at the meeting by Councillor King, Leader of the Council and Portfolio Holder for Strategy.	16 November 2022
Cabinet, 16 November 2022	Steve Kelly	The importance of issues relating to the lack of Vitamin B and the need to monitor vitamin B levels.	Verbal response provided at the meeting by Councillor J. Young, Portfolio Holder for Housing and Communities, and Councillor Cory, Portfolio Holder for Resources, and Chair of the North East Essex Health and Wellbeing Alliance.	16 November 2022
Council, 1 December 2022	Steve Kelly	The importance of understanding issues relating to vitamin B, particularly in combating certain cancers.	Verbal response provided at the meeting by Councillor King, Leader of the Council and Portfolio Holder for Strategy.	1 December 2022

<b>Council, 1 December 2022</b>	<b>David Linghorn Baker</b>	<b>The impact of the review of the capital programme on St Marks Community Centre, and other community centres in north Colchester.</b>	<b>Verbal response provided at the meeting by Councillor Cory, Portfolio Holder for Resources.</b>	<b>1 December 2022</b>
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<b>Date petition received</b>	<b>Lead Petitioner</b>	<b>Subject Matter</b>	<b>Form of Response</b>	<b>Date Completed</b>
<b>No valid petitions received in this period.</b>				