

Scrutiny Panel Meeting

**Grand Jury Room, Town Hall, High Street,
Colchester, CO1 1PJ**

Tuesday, 24 January 2023 at 18:00

The Scrutiny Panel examines the policies and strategies from a City-wide perspective and ensure the actions of the Cabinet accord with the Council's policies and budget. The Panel reviews corporate strategies that form the Council's Strategic Plan, Council partnerships and the Council's budgetary

guidelines, and scrutinises Cabinet or Portfolio Holder decisions which have been called in.

Information for Members of the Public

Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

Have Your Say!

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Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document, please take it to the Library and Community Hub, Colchester Central Library, using the contact details below and we will try to provide a reading service, translation or other formats you may need.

Facilities

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Colchester, CO1 1JB
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Scrutiny Panel – Terms of Reference

1. To fulfil all the functions of an overview and scrutiny committee under section 9F of the Local Government Act 2000 (as amended by the Localism Act 2011) and in particular (but not limited to):

- (a) To review corporate strategies;
- (b) To ensure that actions of the Cabinet accord with the policies and budget of the Council;
- (c) To monitor and scrutinise the financial performance of the Council, performance reporting and to make recommendations to the Cabinet particularly in relation to annual revenue and capital guidelines, bids and submissions;
- (d) To review the Council's spending proposals to the policy priorities and review progress towards achieving those priorities against the Strategic and Implementation Plans;
- (e) To review the financial performance of the Council and to make recommendations to the Cabinet in relation to financial outturns, revenue and capital expenditure monitors;
- (f) To review or scrutinise executive decisions made by Cabinet, the North Essex Parking Partnership Joint Committee (in relation to decisions relating to off-street matters only) and the Colchester and Ipswich Joint Museums Committee which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
- (g) To review or scrutinise executive decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
- (h) To monitor the effectiveness and application of the Call-In Procedure, to report on the number and reasons for Call-In and to make recommendations to the Council on any changes required to ensure the efficient and effective operation of the process;
- (i) To review or scrutinise decisions made, or other action taken, in connection with the discharge of functions which are not the responsibility of the Cabinet;
- (j) At the request of the Cabinet, to make decisions about the priority of referrals made in the event of the volume of reports to the Cabinet or creating difficulty for the management of Cabinet business or jeopardising the efficient running of Council business;

2. To fulfil all the functions of the Council's designated Crime and Disorder Committee ("the Committee") under the Police and Justice Act 2006 and in particular (but not limited to):

- (a) To review and scrutinise decisions made, or other action taken, in connection with the discharge of those functions by the responsible authorities of their crime and disorder functions;
- (b) To make reports and recommendations to the Council or the Cabinet with respect to the discharge of those functions.

COLCHESTER CITY COUNCIL
Scrutiny Panel
Tuesday, 24 January 2023 at 18:00

The Scrutiny Panel Members are:

Councillor Dennis Willetts
Councillor Sue Lissimore
Councillor Darius Laws
Councillor Mike Lilley
Councillor Sam McCarthy
Councillor Lee Scordis
Councillor Paul Smith

Chairman
Deputy Chairman

The Scrutiny Panel Substitute Members are:

All members of the Council who are not Cabinet members or members of this Panel.

AGENDA
THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING
(Part A - open to the public)

Please note that Agenda items 1 to 5 are normally dealt with briefly.

1 Welcome and Announcements

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

2 Substitutions

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

3 Urgent Items

The Chairman 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.

4 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.

5 Minutes of Previous Meeting

There are no minutes to approve at this meeting.

6 Have Your Say! (Hybrid Scrutiny Panel Meetings)

Members of the public may make representations to Scrutiny Panel meetings on any item on the agenda or any other matter relating to the business of the Panel. This can be made either in person at the meeting or by joining the meeting remotely and addressing the Panel via Zoom. Each representation may be no more than three minutes. Members of the public wishing to address Panel remotely may register their wish to address the meeting by e-mailing 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.

7 Decisions taken under special urgency provisions

The Councillors will consider any decisions by the Cabinet or a Portfolio Holder which have been taken under Special Urgency provisions.

8 Cabinet or Portfolio Holder Decisions called in for Review

The Councillors will consider any Cabinet or Portfolio Holder decisions called in for review.

9 Items requested by members of the Panel and other Members

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

Members of the panel may use agenda item 'a' (all other members will use agenda item 'b') as the appropriate route for referring a 'local government matter' in the context of the Councillor Call for Action to the panel. Please refer to the panel's terms of reference for further procedural arrangements.

10 Briefing by Portfolio Holder for Resources [focus on Budget 2023-24]

The Portfolio Holder for Resources will brief the Panel on activities within his portfolio, with a focus on the Budget for 2023-24.

11	Budget 2023/24 and Medium Term Financial Forecast	9 - 144
	Scrutiny Panel is invited to consider the 25 January 2023 Cabinet report and make recommendations to Cabinet.	
	Background Paper. Colchester City Council Strategic Plan 2023 to 2026 Introduction	145 - 148
	Background Paper. Colchester City Council Strategic Plan - City fit for the future	149 - 158
	Background Paper. EQIA - Strategic Plan 2023-26	159 - 166
	Background Paper. KPI Half Year Performance	167 - 170
12	2023/24 Housing Revenue Account Estimates and Housing Investment Programme	171 - 208
	This report invites the Panel to review and comment on the 2023/24 Housing Revenue Account Estimates and the Housing Investment Programme reports which are being submitted to Cabinet.	
13	Work Programme 2022-23	209 - 226
	This report sets out the current Work Programme 2022-2023 for the Scrutiny Panel. This provides details of the reports that are scheduled for each meeting during the municipal year.	
14	Exclusion of the Public (Scrutiny)	
	In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential 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)**

Report of	Head of Finance and Section 151 Officer	Author	Paul Cook ☎ 505861 Darren Brown ☎ 282891
Title	Budget 2023/24 and Medium Term Financial Forecast		
Wards affected	All		

1 Executive Summary

- 1.1 Scrutiny Panel is invited to consider the 25 January 2023 Cabinet report and make recommendations to Cabinet.

2 Reason for Scrutiny

- 2.1 To review the 2023/24 Budget and Medium Term Financial Forecast.
- 2.2 To comment to the Cabinet.

3 Reason for Cabinet Report

- 3.1 To approve the 2023/24 Revenue Budget and revised Medium Term Financial Forecast.
- 3.2 To note the Local Government Act 2003 Section 25 budget resilience statement and forecast level of balances.
- 3.3 To approve the Treasury Management Strategy Statement 2023/24 to 2027/28
- 3.4 To recommend to Council the 2023/24 revenue budget requirement of £25.285m
- 3.5 To recommend to Council Colchester's element of the Council Tax at £211.59 per Band D property being an increase of £6.12.

4 Alternative Options

- 4.1 The Council is obliged to balance its budget on an annual basis. There are no alternatives.

5 Overview

- 5.1 See Cabinet Report attached.

6 MTFF Consultation

- 6.1 The budget strategy and timetable have ensured that information is available for Scrutiny Panel and input from all Members.
- 6.2 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.
- 6.3 The Leader of the Opposition is able at any stage of the budget process to meet with officers to assist with consideration of any alternative budget proposals.
- 6.4 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.

7 Financial implications

- 7.1 As set out in the Cabinet report.

8 Climate Emergency and Environment

- 8.1 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.

9 Equality and Diversity Implications

- 9.1 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.

10 Other Standard References

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



Cabinet 25 January 2023
Scrutiny Panel 24 January 2023

Item
7(i)

Report of	Head of Finance and S151 Officer	Author	Paul Cook ☎ 505861 Darren Brown ☎ 282891
Title	Budget 2023/24 and Medium-Term Financial Forecast 2023/24 to 2027/28		
Wards affected	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.

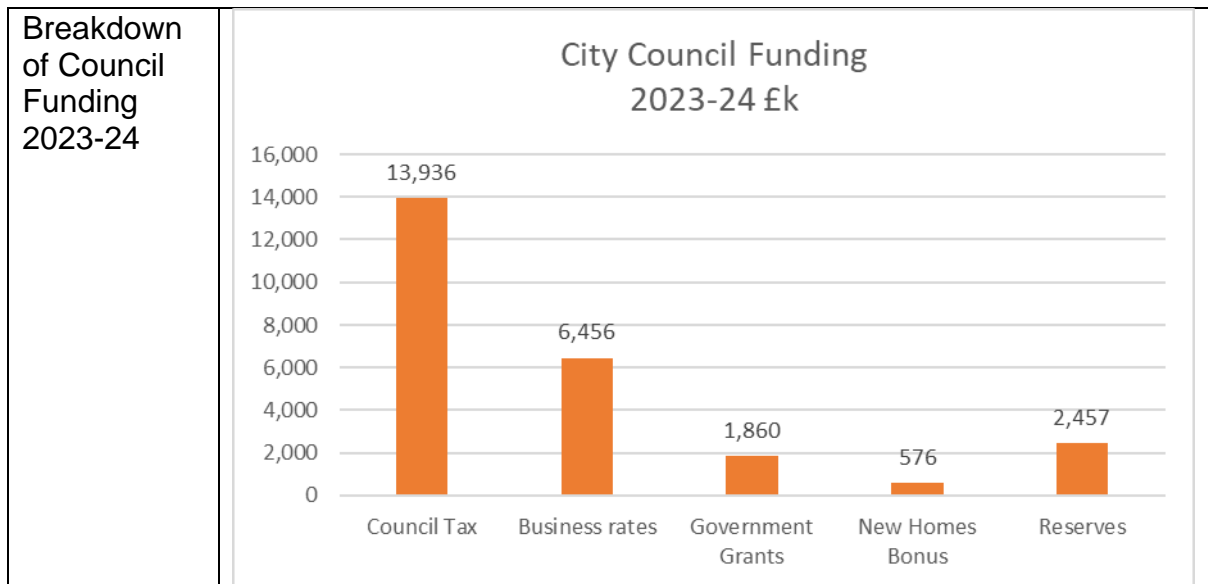
4 Alternative Options

- 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.

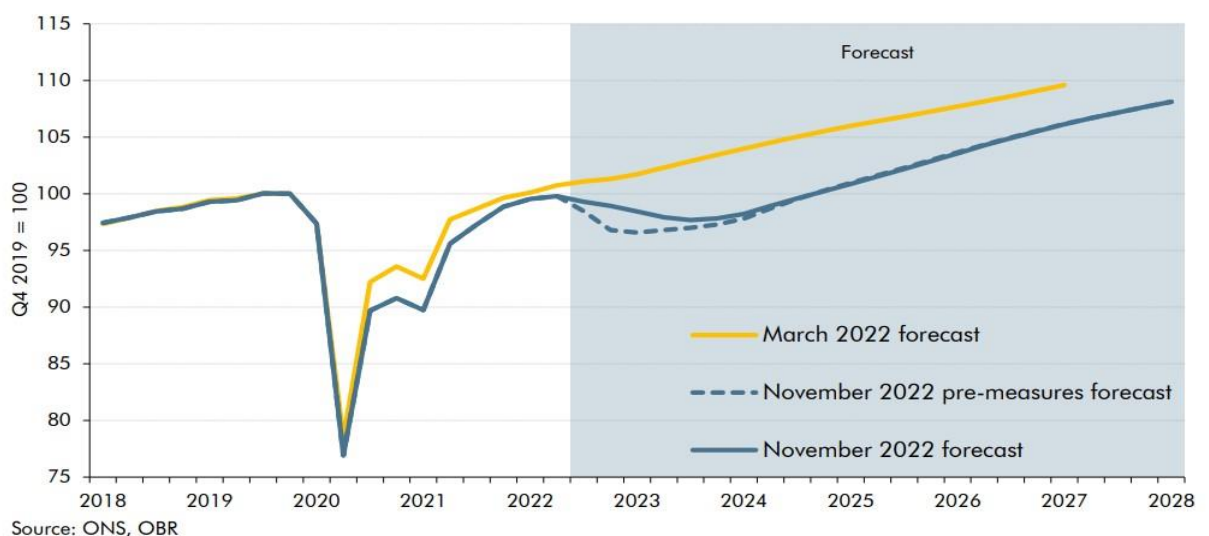


6 Macro-economic context December 2022

- 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.

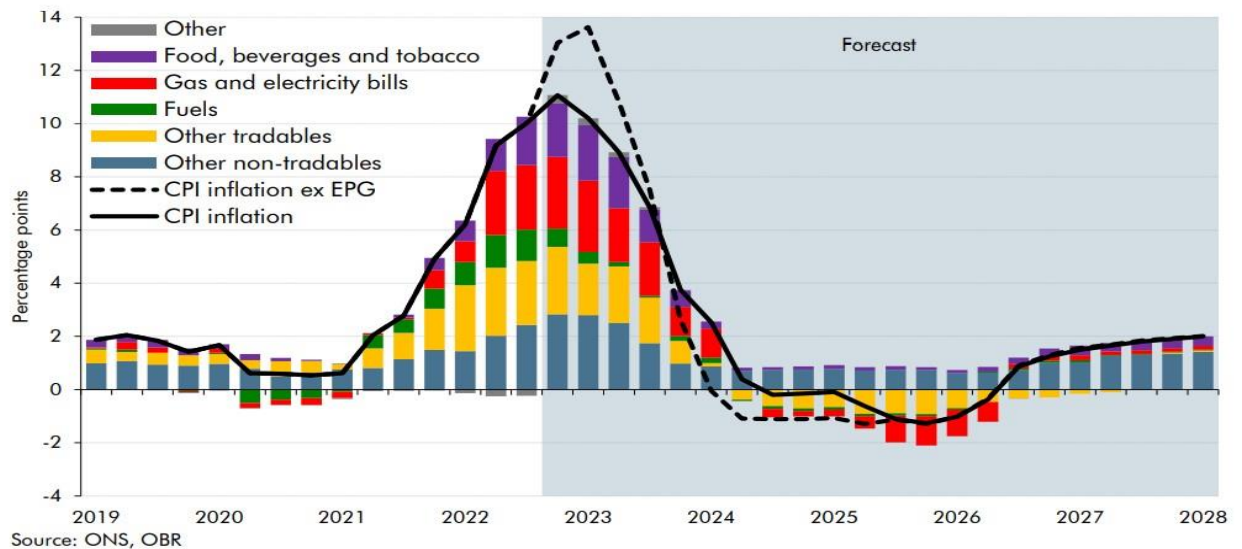
OBR GDP Forecasts Nov 22

Chart 1: Real GDP



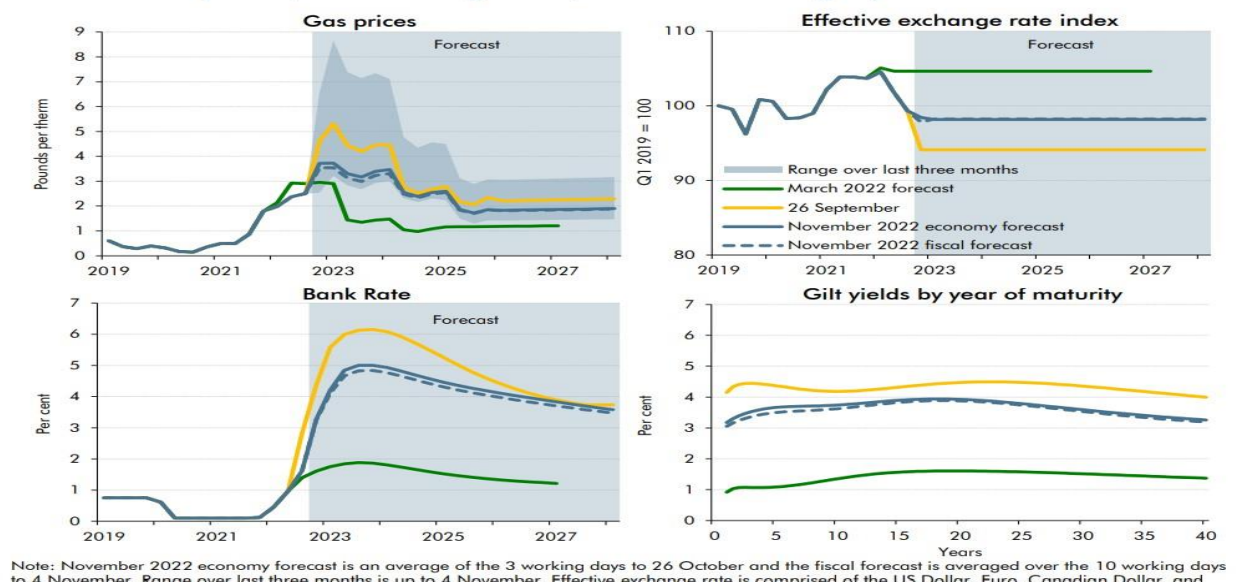
OBR CPI Forecast Nov 22

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-2023-2024)

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.

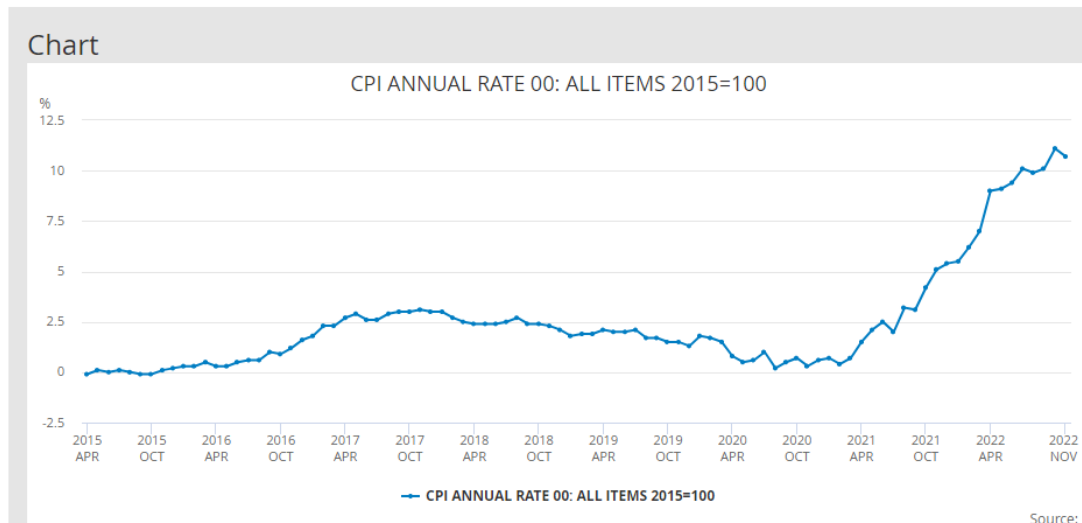
9.3 The provisional settlement guarantees the City Council a 3% increase in Core Spending Power compared to 2022/23. The comparison between the two years is

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
Core Spending Power	20.724	21.744

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 ¹	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 ²	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 ³	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 ⁴	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
Core Spending Power	22.5	22.6	21.1	19.6	20.1	20.8	20.4	20.7	21.7
Change since 2015-16 (£ millions)									-0.8
Change since 2015-16 (% change)									-3.5%
¹ 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. ² From 2020-21, Winter Pressures Grant allocations were rolled into the Improved Better Care Fund, and no longer ringfenced for alleviating winter pressures. ³ From 2020-21, Social Care Support Grant allocations were rolled into the Social Care Grant. ⁴ 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 Rates 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.

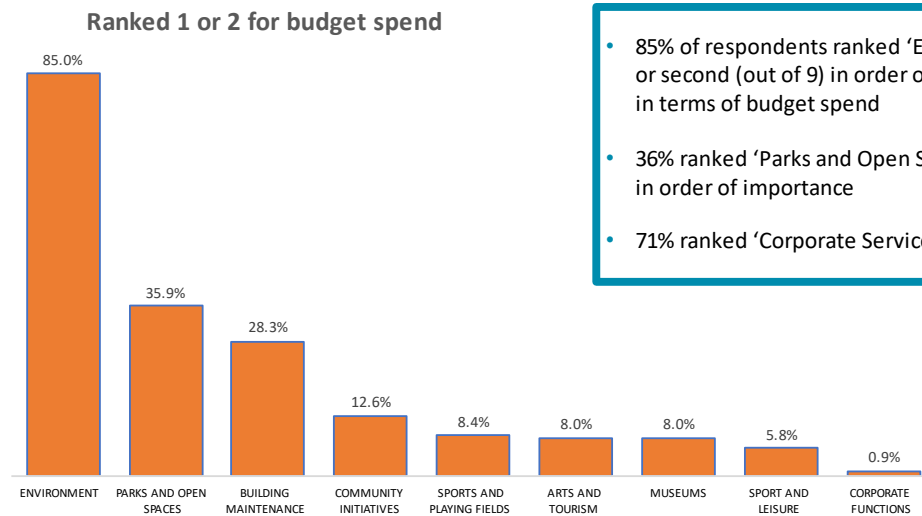
Sales, fees and charges were agreed by November 2022 Cabinet, and will be updated regularly during the financial year ahead

- 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

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

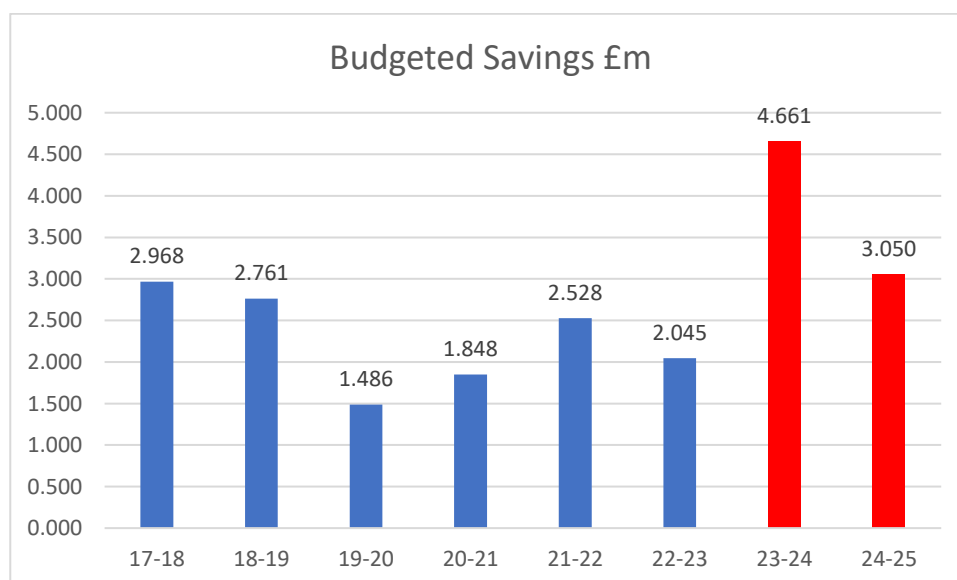
Appendix A – 2023-28 Medium Term Financial Forecast and Assumptions

2023/24 Budget and Medium Term Financial Forecast	23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
Previous year's budget	21,875	25,285	21,958	21,432	22,332
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
Current year's budget	25,285	21,958	21,432	22,332	23,579
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
Budget Gap Cumulative	0	801	172	1,159	2,480

Medium Term Financial Forecast Assumptions	23/24	24/25	25/26	26/27	27/28
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"> • Estimates of Capital Expenditure (2.2) • Actual Capital Expenditure (2.2) • Estimates of Capital Financing Requirement (2.5) • Actual Capital Financing Requirement (2.5) • Authorised Limit (5.7) • Operational Boundary (5.5) • Actual external debt (5.7) • Gross debt and capital financing requirement (5.4) • Financing costs as a % of net revenue stream (3.8) • Estimates of net income from commercial and service investments as a % of net revenue stream (3.9) • Actual net income from commercial and service investments as a % of net revenue stream (3.9)
	Treasury Management Code prudential indicators <ul style="list-style-type: none"> • Liability Benchmark (2.6) • Maturity Structure of Borrowing (5.12) • Long-term treasury management investments (the City Council has none.) Treasury Management Code locally determined prudential indicators <ul style="list-style-type: none"> • Interest Rate exposures (5.11 to 5.15) • Credit Risk (See 6 for Annual Investment Strategy) • Price Risk (See 6 for Annual Investment Strategy)
	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

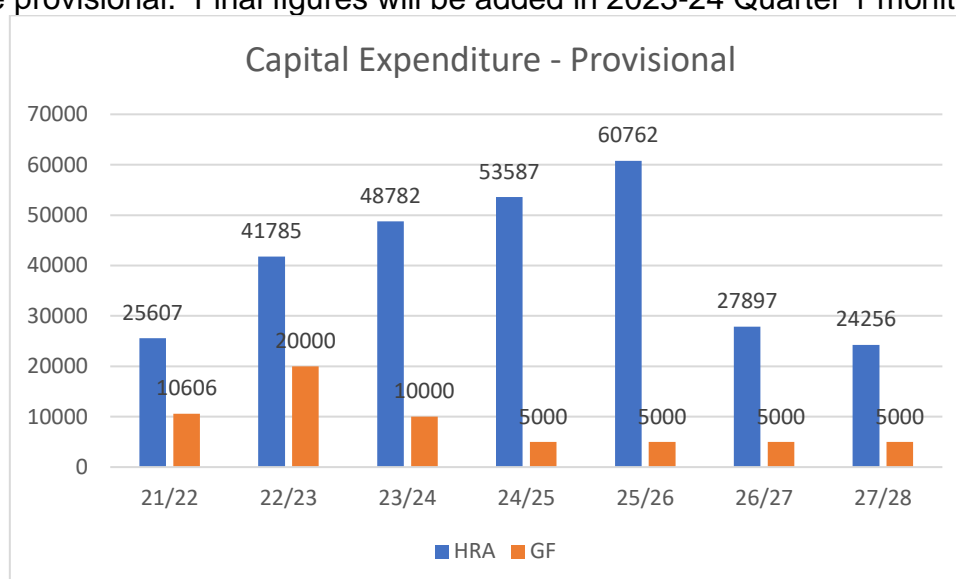
- 1.15 The City Council uses Link Asset Services as its external treasury management advisors.
- 1.16 Responsibility for treasury management decisions remains with the Council and undue reliance is not placed upon external advisors. Decisions use available information including external advice.

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.

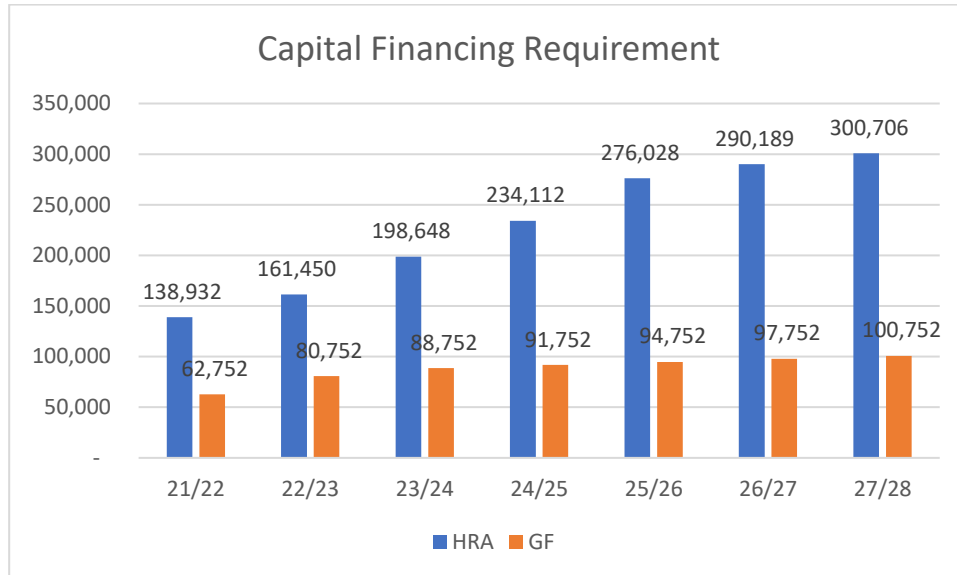


The Council's Borrowing Need (The Capital Financing Requirement)

- 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

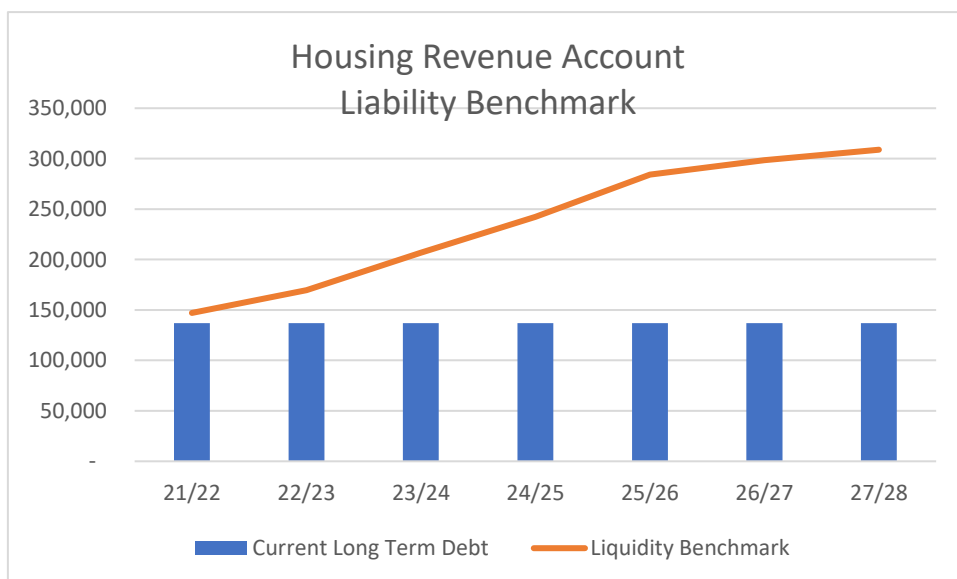
reduces indebtedness over each asset's life. Minimum revenue provision charges reflect the economic consumption of capital assets as they are used.

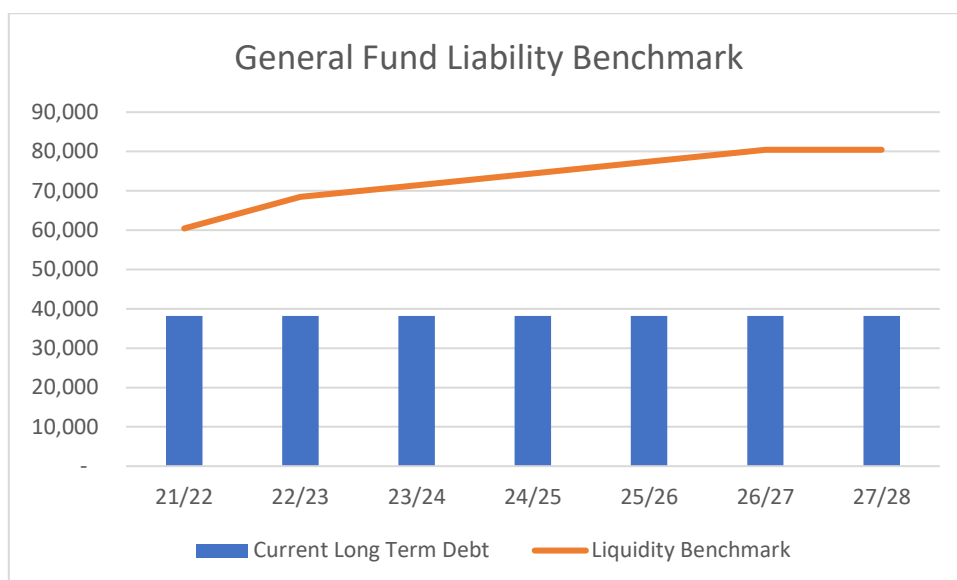
- 2.5 The Capital Financing Requirement includes some long-term liabilities other than borrowing (for example finance leases). Whilst these increase the Capital Financing Requirement, and therefore the City Council's borrowing requirement, these types of schemes include a borrowing facility by the lease 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

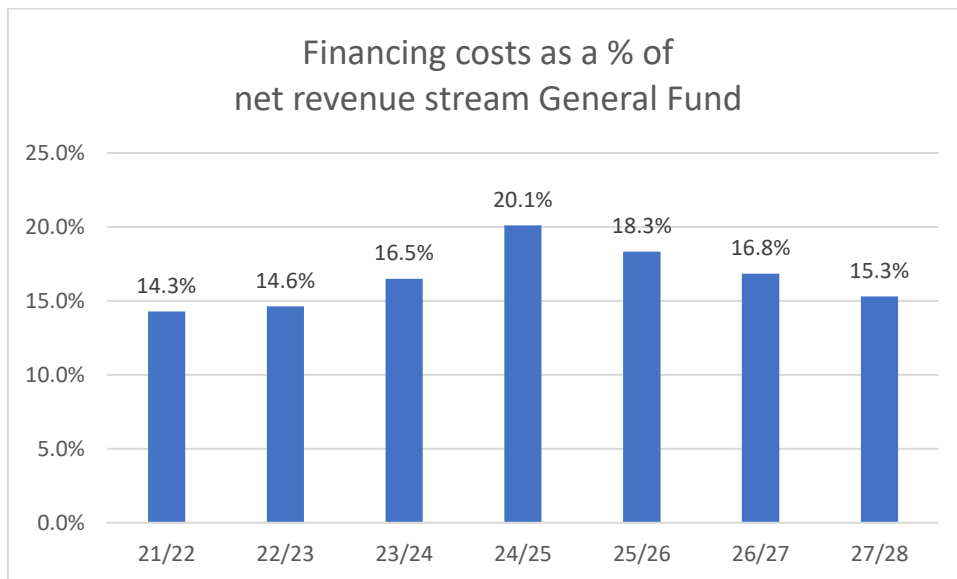
- 3.1 The City Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments if required.
- 3.2 Government regulations require the full 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

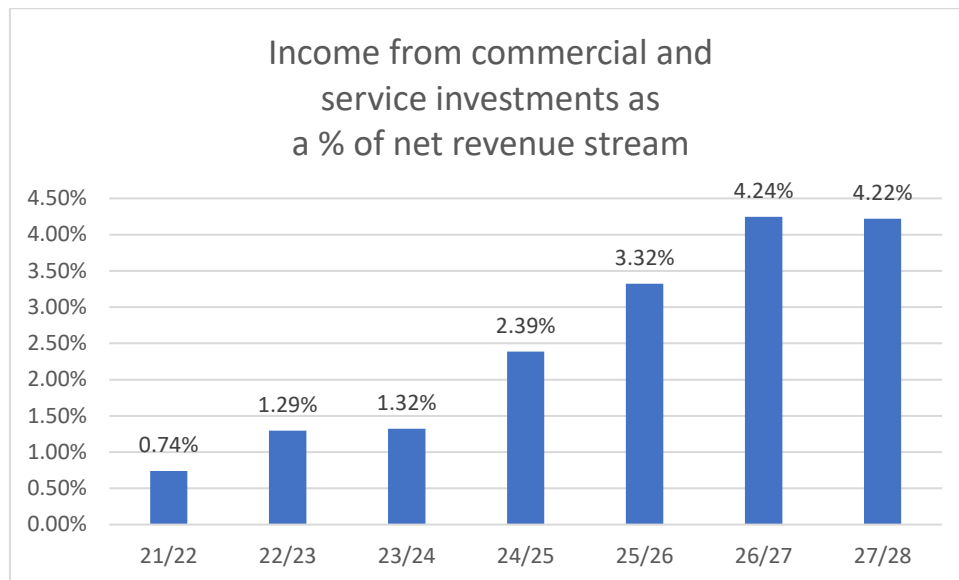
- 3.7 The previous sections of this report cover the overall capital, and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability to the general fund of the capital investment plans. These provide an indication of the impact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

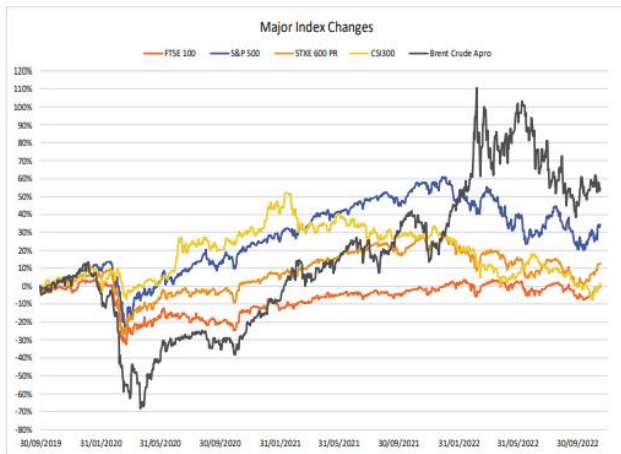
- The Bank of England voted by a majority of 6-3 to raise interest rates by 50 basis points to 3.5 percent during its December meeting, pushing the cost of borrowing to the highest level since late-2008, as policymakers try to contain inflation amid fears of a looming economic recession. Two MPC members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



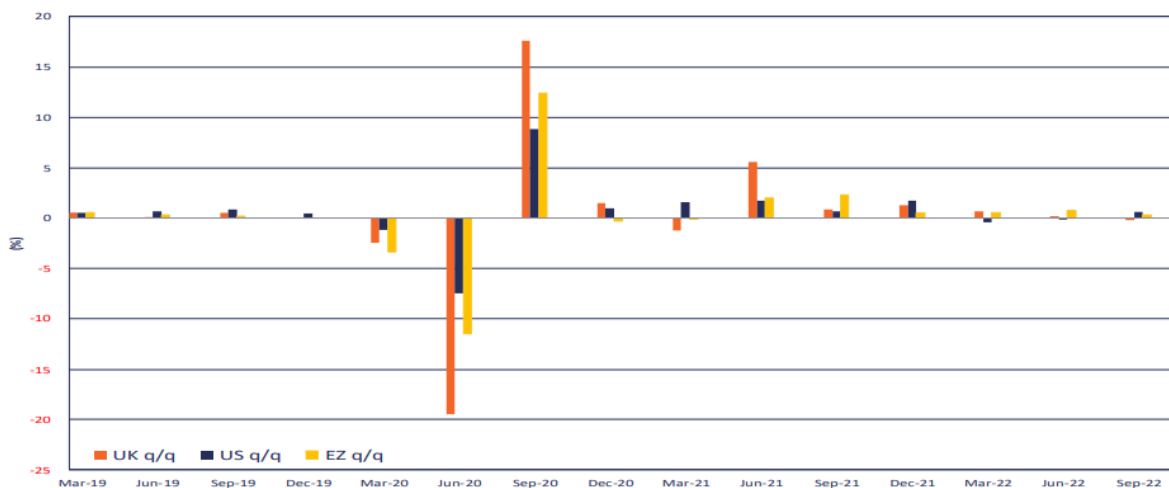
Source: Reuters Eikon

*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

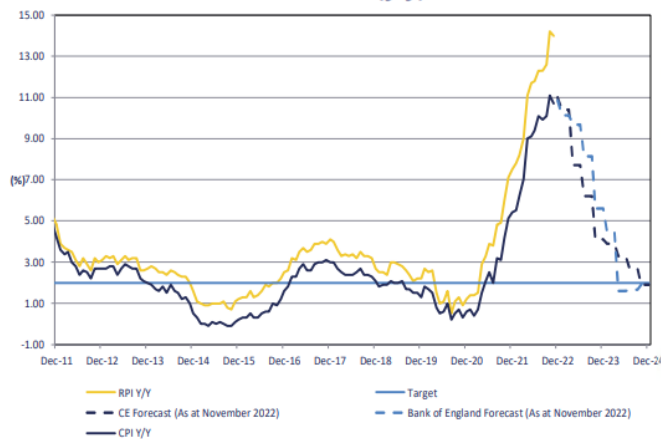
UK, US and EZ GDP Growth



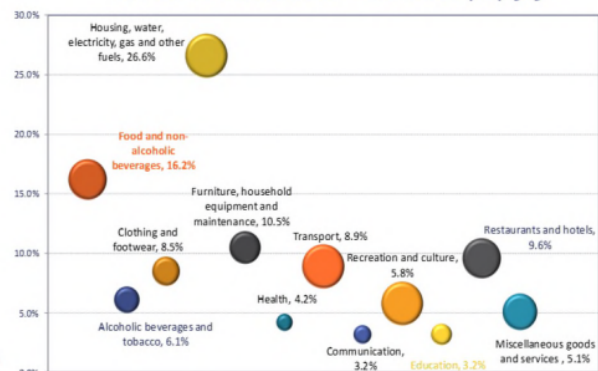
- The UK economy shrank 0.2% q/q in Q3, the first contraction in one and a half years but less than market forecasts of a 0.5% drop, preliminary estimates showed.
- The US economy grew an annualised 2.6% q/q in Q3 2022, exceeding forecasts of a 2.4% rise and rebounding from a contraction in the first 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)



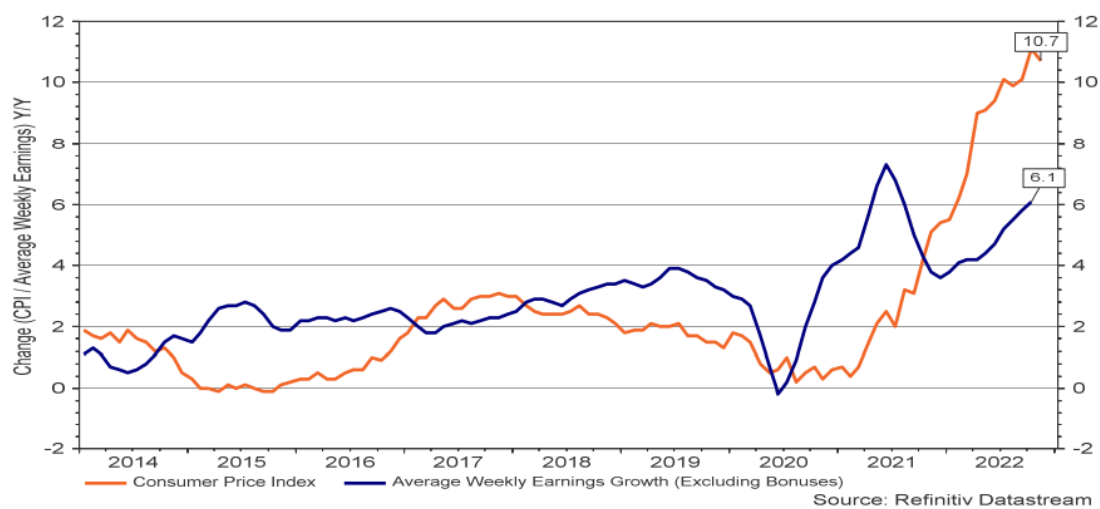
UK CPI Breakdown – October (%) y/y



- 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.

7

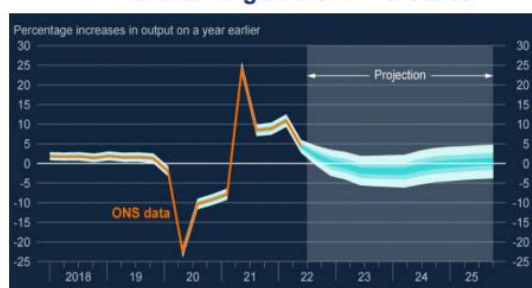
CPI Inflation v UK Wage Growth



- 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

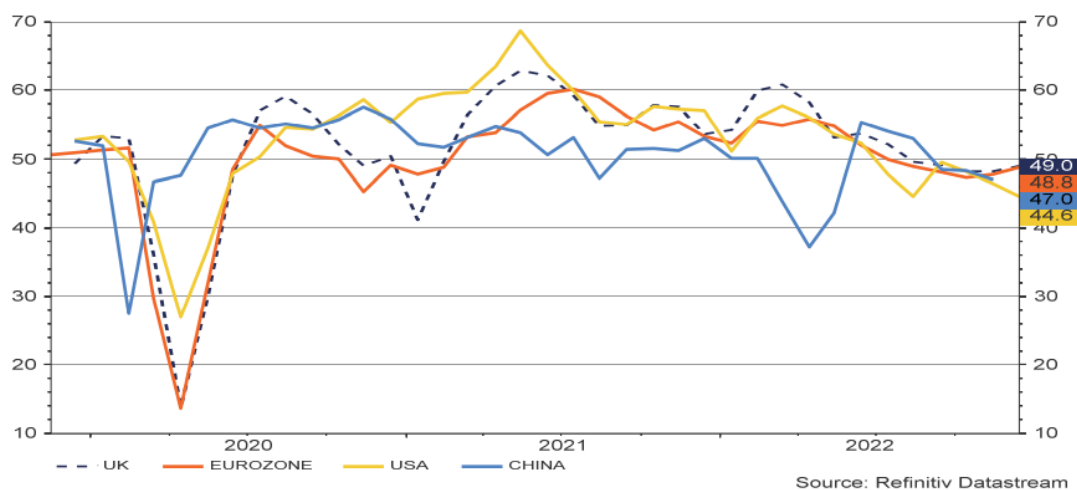


	2022 Q4	2023 Q4	2024 Q4	2025 Q4
GDP (c)	0.2 (0.1)	-1.9 (-1.2)	-0.1 (0.1)	0.7
CPI inflation (d)	10.9 (13.1)	5.2 (5.5)	1.4 (1.4)	0.0
LFS unemployment rate	3.7 (3.7)	4.9 (4.7)	5.9 (5.7)	6.4
Excess supply/Excess demand (e)	¼ (-¼)	-2½ (-2½)	-3 (-3¼)	-3
Bank Rate (f)	3.0 (2.4)	5.2 (2.9)	4.7 (2.4)	4.4

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.

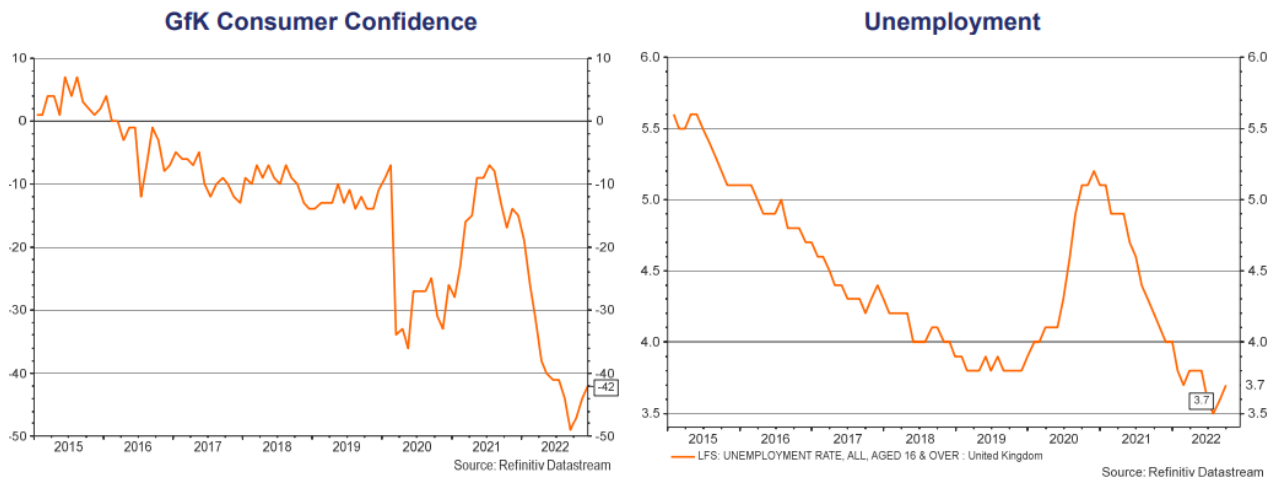
In the MPC's November Monetary Policy Report projections, conditioned on the elevated path of market interest rates at that time, the UK economy was expected to be in recession for a prolonged period and CPI inflation was expected to remain very high in the near term. Inflation was expected to fall sharply 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.

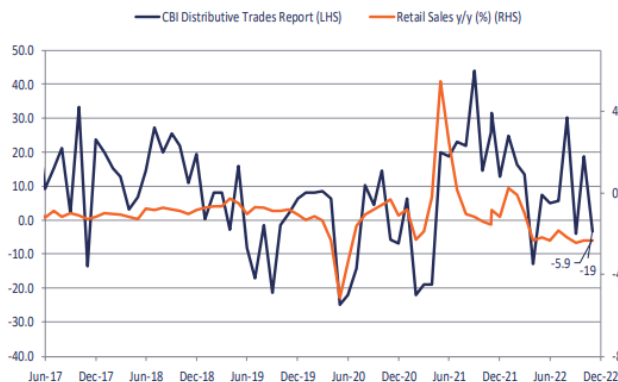
UK Employment and Consumer Confidence



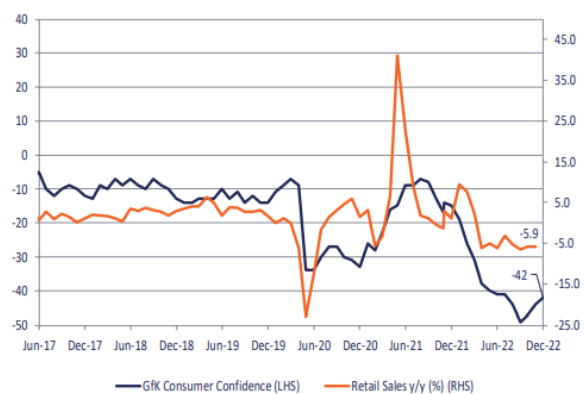
- The unemployment rate in the UK edged higher to 3.7% in the three months to October of 2022 from 3.6% in the previous period, matching market forecasts. Average weekly earnings including bonuses in the UK increased by 6.1% year-on-year to £624 in the three months to October of 2022, above a 6.0% gain 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



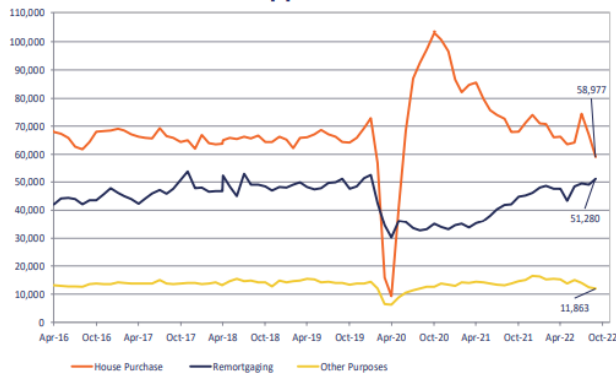
Retail Sales & Consumer Confidence



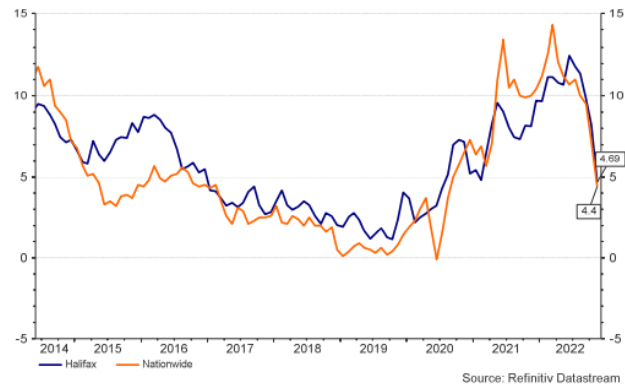
- Retail sales in the UK unexpectedly declined 0.4% month-over-month in November of 2022, after jumping an upwardly revised 0.9% in the previous month when there was a bounce back from the impact of the additional Bank Holiday in September for the State Funeral. Retail Sales in the United Kingdom decreased 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

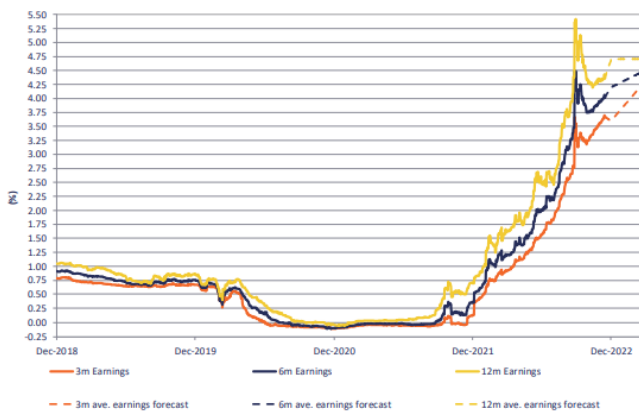


- House prices in the UK increased 4.7% y/y in November, the least since July 2020, following an 8.2% rise in October, data from Halifax showed. On a monthly basis, average house prices in the UK fell 2.3%, the biggest drop since October 2008, and marking the third straight month of declines.
- The Nationwide 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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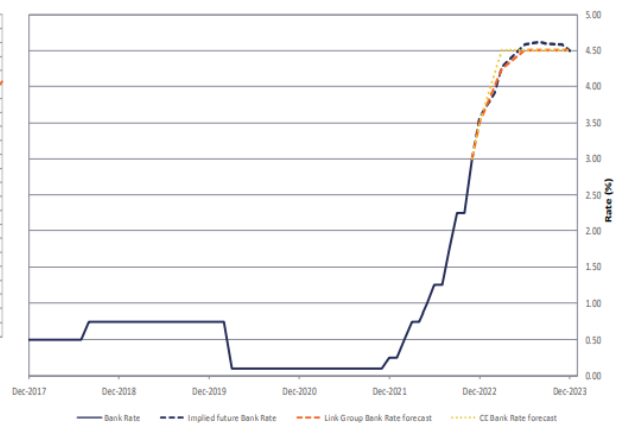
UK Bank Rate Forecast

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%	-	-	-	-

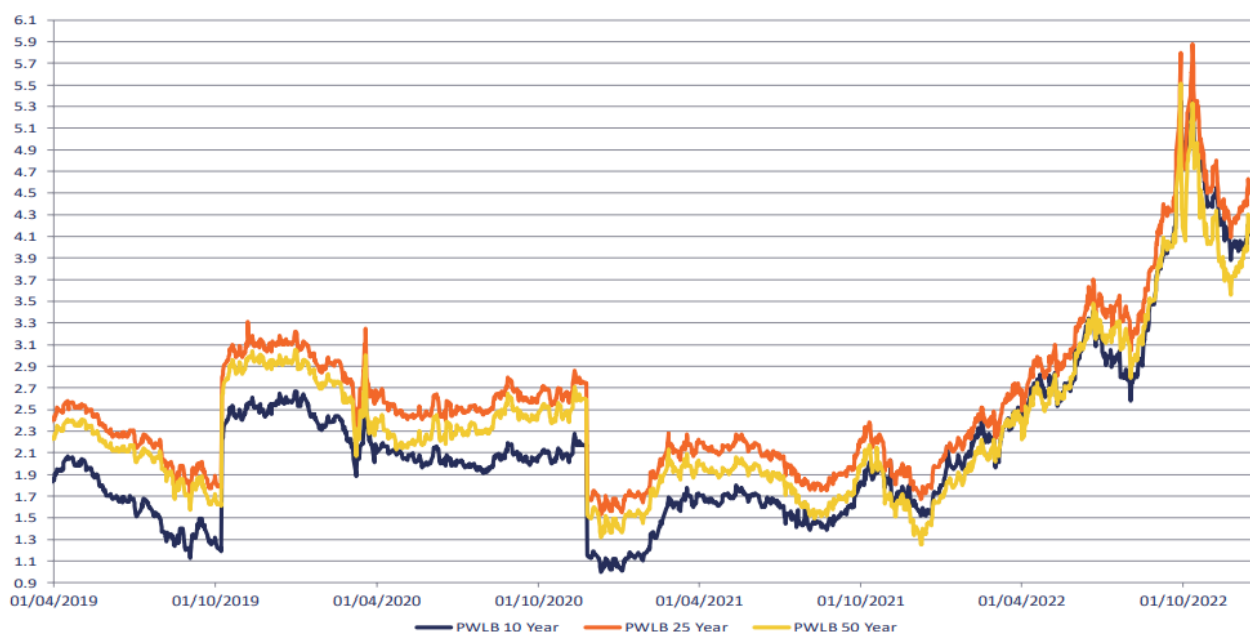
25yr PWLB Rate														
	NOW	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Link Group	4.61%	4.70%	4.70%	4.60%	4.50%	4.40%	4.30%	4.10%	4.00%	3.90%	3.70%	3.60%	3.50%	3.50%
Capital Economics	4.61%	4.60%	4.40%	4.20%	4.00%	3.80%	3.80%	3.70%	3.60%	3.60%	-	-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

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.

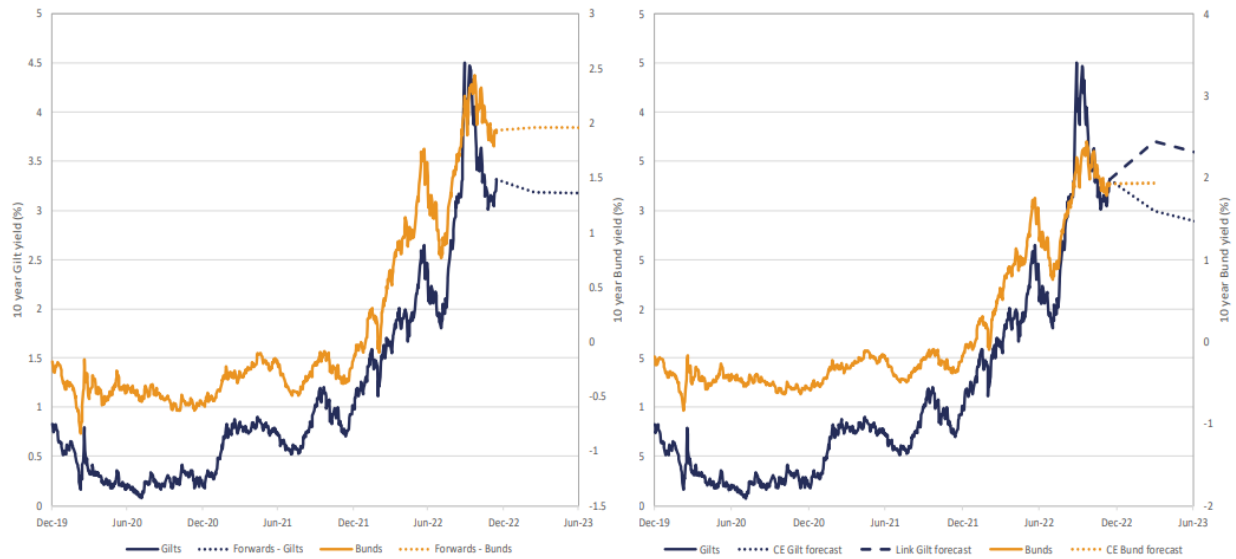
15

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 26th November 2020 the certainty rate was reduced by 100 bps to 80 bps over the Gilt yield.

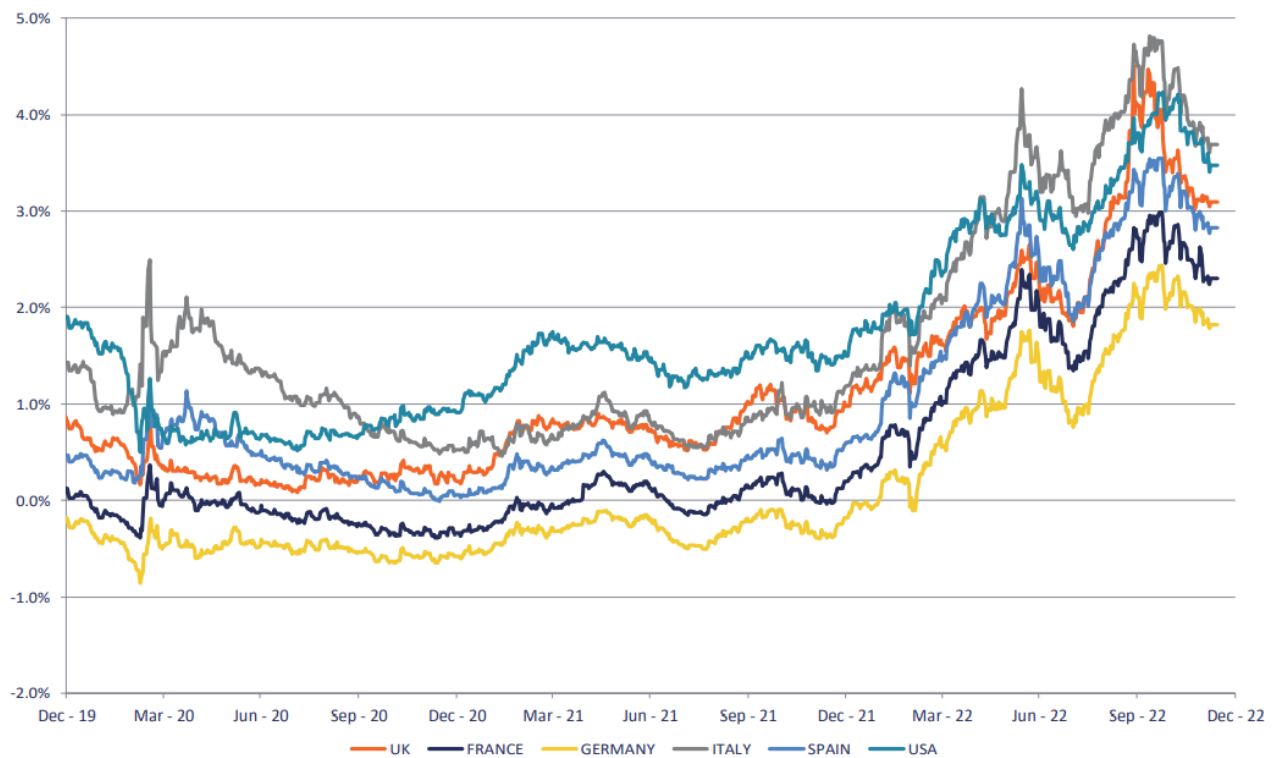
Relative Movements in 10 year Gilts and Bunds



- 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
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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

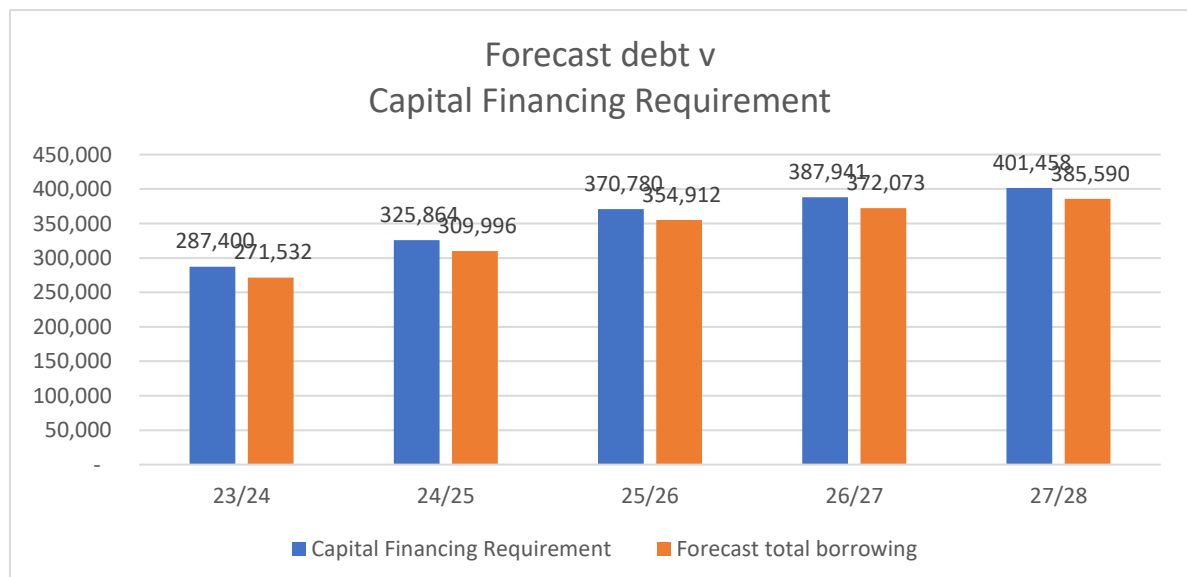
- 5.1 The policy of avoiding the interest cost of new borrowing by using available cash balances has served well over the last few years. However, this needs to be kept under review to avoid incurring high borrowing costs in the future when the Council may require new external borrowing to finance capital 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.

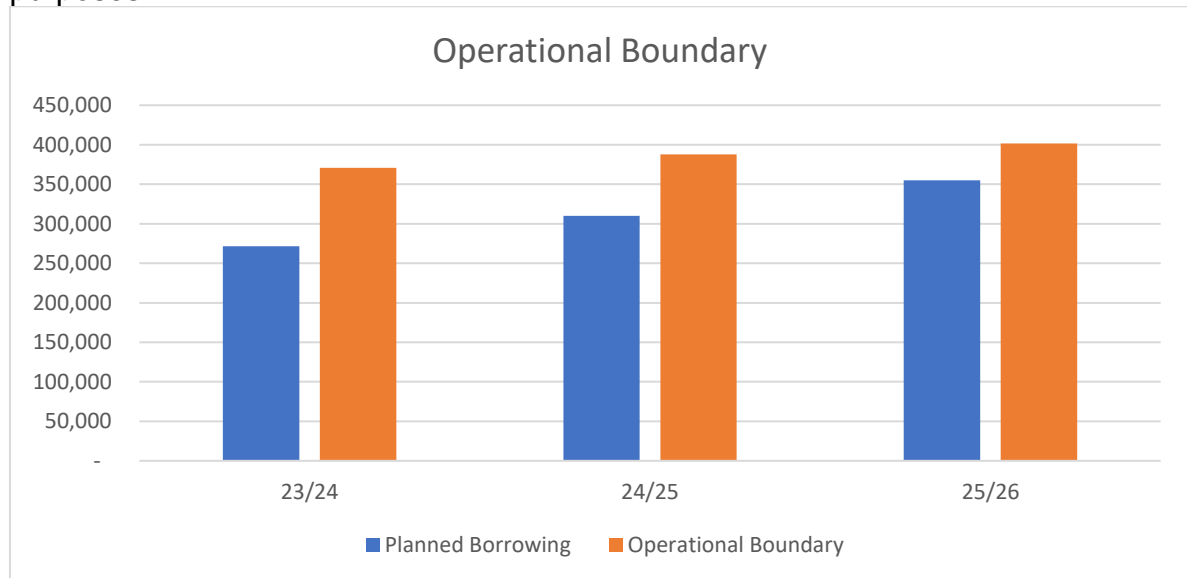
Current portfolio position

- 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.

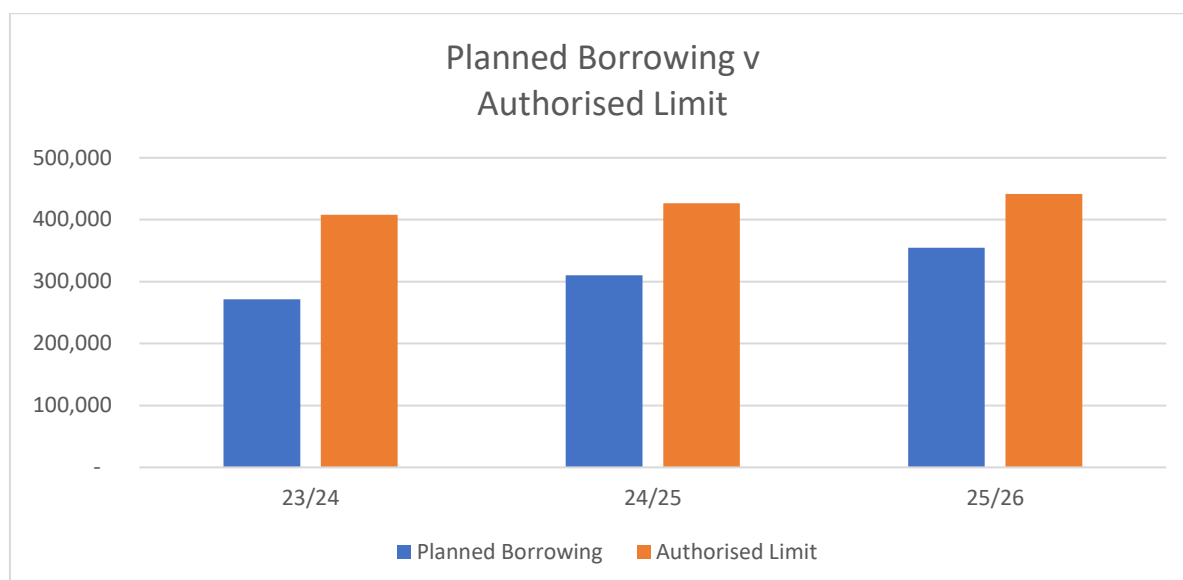


- 5.6 The Head of Finance and S151 Officer confirms that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future allowing for current commitments and the reset capital programme.

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.

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

Appendix D – Technical reconciliations of budget requirement 2023/24

Table D1 – Technical reconciliation of budget requirement		
	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)
8	Budget Requirement	22,052
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)
14	Total Funding	(22,052)

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

Table D3 – Technical reconciliation of 2023/24 Base Budget		
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)
7	Forecast Base Budget	25,285

Table D4 – Technical reconciliation of 2023/24 savings		
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)
50	Total Savings	(4,661)

Table D5 – Technical reconciliation of 2023-24 cost pressures and growth items		
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
18	Total cost pressures and growth items	10,028

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
Total General Fund Services	19,985	(1,049)	6,264	3	0	(3,290)	21,913
Technical Items							
<i>Corporate Items / sums to be allocated to services</i>							
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)
Sub-Total	1,890	(130)	2,364	619	0	(1,371)	3,372
Total incl Below the line	21,875	(1,179)	8,628	622	0	(4,661)	25,285
<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)
Total	(21,875)	208	0	0	(3,618)	0	(25,285)

Appendix F - 2023/24 General Fund Budgets

		Direct Budgets			Non-Direct Budgets	
	Area	Spend	Income	Net	Net	Total
		£'000	£'000	£'000	£'000	£'000
	Corporate & Democratic Core	537	(570)	(33)	2,908	2,875
	Total	537	(570)	(33)	2,908	2,875
	Executive Management Team					
	EMT	834	-	834	(834)	-
	Total	834	-	834	(834)	-
	Community					
	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)
	Subtotal	4,424	(4,102)	322	2,186	2,508
	Colchester & Ipswich Museums	2,420	(1,260)	1,160	799	1,959
	Total	6,844	(5,362)	1,482	2,985	4,467
	Customer					
	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	-
	Subtotal	4,504	(1,435)	3,069	(1,942)	1,127
	Benefits - Payments & Subsidy	32,491	(33,371)	(880)	656	(224)
	Total	36,995	(34,806)	2,189	(1,286)	903
	Environment					
	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)
	Subtotal	15,135	(8,576)	6,559	3,792	10,351

		Direct Budgets				Non-Direct Budgets	
	Parking Partnership (NEPP)	4,301	(4,340)	(39)		81	42
	Total	19,436	(12,916)	6,520		3,873	10,393
	Place & Client						
	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
	Subtotal	5,279	(2,772)	2,507		477	2,984
	<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
	Total	17,455	(13,757)	3,698		1,388	5,086
	Corporate & Improvement						
	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)	-
	Total	8,824	(1,640)	7,184		(7,289)	(105)
	Total (excl. NEPP)	86,624	(64,711)	21,913		1,664	23,577

* 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
Total General Fund Reserves	35,103	31,108	24,877
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
Total Housing Revenue Account Reserves	12,267	11,192	9,893
Total Reserves	47,370	42,300	34,770

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	Total allocation	576	550	550	550	550
	Use of NHB allocation for one-off schemes					
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"> Staff turnover rate 15% (ex H&S and income generation). 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. 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. Risks: <ul style="list-style-type: none"> Reprioritise activities or reduce quality-of-service delivery 	500	0
Review all fixed term contracts	<ul style="list-style-type: none"> 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. Use external funding to pay for permanently employed staff (risk if external funding ceases). Risks: <ul style="list-style-type: none"> As fixed term contracts end areas of work will need to be reduced or reprioritised. Loss of external funding Reduction in capacity for service delivery 	50	0
Reduce overtime budgets	<ul style="list-style-type: none"> We will review all overtime budgets and spend Reduce budgets if work could be reduced or reprioritised Risks: <ul style="list-style-type: none"> Reduction in capacity for service delivery 	100	0
Reduction of staffing hours worked	<ul style="list-style-type: none"> Allow staff to reduce paid hours in a fair and flexible way Need commitment for a full year's reduction in hours Risks: <ul style="list-style-type: none"> Reduction in capacity for service delivery 	50	0
Reduce employers NI contributions	<ul style="list-style-type: none"> 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. Risks: <ul style="list-style-type: none"> Take up uncertain 	50	0
Sub total:		750	0

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"> 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). Risks: <ul style="list-style-type: none"> Enquiries about standards by public and members (Visibility splays will be cut frequently to maintain safety.) Requires ECC support. 	50	50
Reduce Community Enabling Team resource	<ul style="list-style-type: none"> Community Enabling Team external funding raised Through our Community Can approach (ABCD), we work with partners to empower and enable residents Risks: <ul style="list-style-type: none"> External funding not available medium to longer term. Reduction in capacity whilst maintaining service delivery 	65	0
Reduce spend on the Disabled Facilities Grant (DFG) service	<ul style="list-style-type: none"> Maximise cost recovery from DFG grant A Home Improvement Agency (as other councils). Resource still needed to monitor contract performance Risks: <ul style="list-style-type: none"> Cost recovery will be investigated in business case Loss of experienced staff (hard to recruit area) 	0	68
Reduce CCC spend on countryside sites	<ul style="list-style-type: none"> Use commercial opportunities and mode of management / ownership; consideration of increasing commerciality of Mersea Beach Huts and Mersea Pontoon. Risks: <ul style="list-style-type: none"> Beach Hut agreement changes require 12-month notice. 	25	25
Reduce CCC spend on sports and playing fields	<ul style="list-style-type: none"> Review standards of grounds maintenance. Enable and empower Parish Councils/Sports Clubs to take on management or ownership with an appropriate payment. Risk: <ul style="list-style-type: none"> Criticism of standards Groups' 23/24 budgets already set. Mitigated by the Council providing some start-up funding. 	50	50
Sub total:		190	193

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"> • Reduce the core management fee to Amphora to reflect additional project management fees paid to subsidiaries Risks <ul style="list-style-type: none"> • Loss of income to Amphora 	200	0
Sub total:		200	0

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"> • Mid-year review has happened to reflect inflationary factors • Additional income 22/23 then allows us to increase the baseline income assumptions for 23/24 Risks: <ul style="list-style-type: none"> • Demand for services falls due to increased fee charged. Mitigated by reviewing each fee and charge individually. 	50	0
2023/24 review of fees and charges	<ul style="list-style-type: none"> • Increase fees and charges for 23/24 by inflation • Currently assume a 2.5% increase Risks: <ul style="list-style-type: none"> • Demand for services falls due to increased fee charged. Mitigated by reviewing each fee and charge individually 	100	0
Commercial review of existing income generating services	<ul style="list-style-type: none"> • Areas identified for additional income are activities in Colchester Museum and commercial opportunities in Castle Park, Café, Boating Lake and Bowling Club Risks: <ul style="list-style-type: none"> • Revenue or capital costs for some proposals to improve commercial offering and legal compliance 	100	100
New income from Eudo Road Tennis Centre	<ul style="list-style-type: none"> • Now rented out part of the Eudo Road Sports Ground • With full planning approval additional 25-50% rent income Risks: <ul style="list-style-type: none"> • The level of income depends on whether the Padel Tennis provider can get planning permission • First 3 months will be rent free affecting income 23/24 	80	0
Charge for Garden Waste	<ul style="list-style-type: none"> • Charging for discretionary services currently provided free of charge. • Budget assumes 5% take-up in Season 1 (2023/24), and 21% in 2024/25. • Budget is income less Credit Claim, based on above percentage assumptions. • 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 Risks: <ul style="list-style-type: none"> • Income forecast has been based on numerous assumptions and will be subject to change. • The current economic climate may impact take-up, considering this is discretionary spend. • 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. 	200	725

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

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"> • 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. <p>Risks:</p> <ul style="list-style-type: none"> • 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. 	200	0
Sport and Leisure - New service model	<ul style="list-style-type: none"> • Sport and Leisure will create a more efficient staffing structure and service model • There is confidence that service levels and associated income can be maintained <p>Risks:</p> <ul style="list-style-type: none"> • The savings will rely on a further service review and the implementation of a new technology system for sport and leisure 		200
New refuse and recycling service	<ul style="list-style-type: none"> • A new refuse and recycling strategy will be developed with anticipated reduced running costs. • It will be a strategy fit for a modern and green city • We will look at options to improve staff welfare and provide a resilient service, whilst aiming to improve recycling rates • Numerous options to be considered in a phased approach. <p>Risks:</p> <ul style="list-style-type: none"> • The Environment Act 2021 (see above). • Depending on the model capital and revenue investment may be needed. 		1000
Neighbourhood Services - Discretionary service reductions	<ul style="list-style-type: none"> • A review will be undertaken, and the services will be reprioritised and a new service plan created matching the new levels of capacity. • There will need to be reductions in staff to deliver this saving <p>Risks:</p>	300	0

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

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">One off premium Risks: <ul style="list-style-type: none">Normal commercial considerations.	10	0
Property Group 1	<ul style="list-style-type: none">Planning permission has been grantedOne off £30K premium agreed if it proceeds Risks: <ul style="list-style-type: none">Normal commercial considerations.	30	0
Property Group 2 Other asset management initiatives	<ul style="list-style-type: none">Arising in year includes easement requests, lease re-gears Risks: <ul style="list-style-type: none">Normal commercial considerations.	75	0
Property Group 3	<ul style="list-style-type: none">3 units available Risks: <ul style="list-style-type: none">Normal commercial considerations.	30	0
Property Group 4 lettings service charge and NNDR income	<ul style="list-style-type: none">Service charge and NNDR income on 3 units to be let Risks: <ul style="list-style-type: none">Normal commercial considerations.	10	0
Property Group 5 service charge and NNDR income	<ul style="list-style-type: none">NNDR saving of £8K per annum and Service charge of £15K income on property to be let Risks: <ul style="list-style-type: none">Normal commercial considerations.	23	0
Reduce energy consumption	<ul style="list-style-type: none">We are currently recruiting an Energy Manager to identify opportunities to reduce energy usageEarly innovation ideas could include speed/RPM control motor for pool heating at Leisure World which will reduce energy use Risks: <ul style="list-style-type: none">Inevitably some savings will require capital investment first, e.g. sub-metersSome options may require a reduction in opening times for services, or more attention to patterns of use and energy “awareness”	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"> Review of the costs of processing payments and the assessment has found potential savings of £40K Merchant services transfer process will be fully managed and paid for by Lloyds Bank Risks: <ul style="list-style-type: none"> Procurement and Legal requirements to finalise 	20	20
Sport and Leisure system review	<ul style="list-style-type: none"> Review all Sport and Leisure systems and options which will be modern and should be more efficient New Sport and Leisure systems should also enhance and enable increased income for the service Risks: <ul style="list-style-type: none"> Need to ensure staff are trained and able to run/develop new systems for resilience and digital focus. 	0	50
Contact and Support telephony automation	<ul style="list-style-type: none"> 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. There will be more options to develop and build automation and optimisation for customer contact Phase 1 early 2023 Voice, Email, and Secure Pay. Phase 2 Chat Bot, Agent Chat, Social Media 23-24. Risks: <ul style="list-style-type: none"> Contact and Support large change programme 	0	20
New Finance system	<ul style="list-style-type: none"> There is a procurement saving as we implement a new finance system Risks: <ul style="list-style-type: none"> Other demands on scarce finance team resources 	0	25
New Finance system process efficiencies	<ul style="list-style-type: none"> New system more efficient processes and automation New processes to illuminate data input and duplication Processes and e-communications will cut out costs in staff resources and print and post Risks: <ul style="list-style-type: none"> Other demands on scarce finance team resources 	0	25

Sub total:	20	140
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Total: (£000's)	3,080	2,758
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Appendix K

Transformation Savings EIAs for:

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

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 consultations¹ 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'² and those who do not³

(c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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.

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)⁵. 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.

¹Click 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.

² 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.

³ 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.

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

⁵ 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:

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.

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 ⁶	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>				

⁶ 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 ⁷	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>

⁷ 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'⁸ 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.

⁸ 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 discriminate⁹ against any 'protected characteristic', either directly or indirectly¹⁰?
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:

⁹ 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'.

¹⁰ 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 screening¹¹:

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).

¹¹ 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 consultations¹² 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.

¹²Click 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'¹³ and those who do not¹⁴

(c) foster good relations between people who share a 'protected characteristic' and those who do not¹⁵

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)¹⁶. 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.

¹³ 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.

¹⁴ 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.

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

¹⁶ 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 ¹⁷	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				

¹⁷ 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 ¹⁸	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 discriminate¹⁹ against any 'protected characteristic', either directly or indirectly²⁰?

¹⁸ 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.

¹⁹ 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'.

²⁰ 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 consultations¹ 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'² and those who do not³
- (c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? (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 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:

Nick Christo

Parks, Countryside and Greening Operations Manager

15. Date of completion:

12th January 2023

16. Date for update or review of this screening¹⁰: 11th 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 its 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 consultations¹ 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'² and those who do not³

(c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. 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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? (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:

Nick Christo, Parks, Countryside & Greening Operations Manager

15. Date of completion:

12th January 2023

16. Date for update or review of this screening¹⁰: 11th 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 consultations¹ 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'² and those who do not³
- (c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? (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:

10th January 2023

16. Date for update or review of this screening¹⁰:

9th 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 consultations¹ 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'² and those who do not³
- (c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? (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.
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14. Name and job title of person completing this form:

John Kellett
Business Improvement Manager

15. Date of completion:

10th January 2023

16. Date for update or review of this screening¹⁰:

9th 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 consultations¹ 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'² and those who do not³

(c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? 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 screening¹⁰:

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 consultations¹ 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'² and those who do not³
- (c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 characteristic⁸' 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 discriminate⁹ against any 'protected characteristic', either directly or indirectly¹⁰?

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 screening¹¹:

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 consultations²¹ 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'²² and those who do not²³
- (c) Foster good relations between people who share a protected characteristic and those who do not²⁴

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

²¹Click 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.

²² 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.

²³ 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.

²⁴ 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)²⁵. 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’.

²⁵ 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 ²⁶		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	

²⁶ 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 ²⁷	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**

²⁷ 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 discriminate²⁸ against any 'protected characteristic', either directly or indirectly²⁹? (Yes/No)

No.

²⁸ 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'.

²⁹ 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 X	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 consultations¹ 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'² and those who do not³
- (c) foster good relations between people who share a 'protected characteristic' and those who do not⁴

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)⁵. 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
3. Age	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 ⁶	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 ⁷	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 discriminate⁸ against any 'protected characteristic', either directly or indirectly⁹? 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:
11th January 2023

16. Date for update or review of this screening¹⁰:

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 and the Town Deal</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> <p>A new post transformation model of Council, partner, and community services delivers on</p>

	Board, the Garrison, and the University of Essex.	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>

Strategic Plan 2020-2023 v future Strategic Plan

Front page (was/could be)

The Better Colchester	A City fit for the Future
Strategic Plan	Strategic Plan
2020–2023	2023-2026

Priorities

Current Strategic Plan	New Strategic Plan
-	Modern Services for a Modern City
Tackling the climate challenge and leading sustainability	Respond to the climate emergency
Creating safe, healthy and active communities	Tackle health, well-being, and happiness
Delivering homes for people who need them	Deliver homes for those most in need
Growing a fair economy so everyone benefits	Grow our city's economy so everyone benefits
Celebrating our heritage and culture	Celebrate our city and our heritage and culture

Strategic Objectives	Priorities	Outcomes
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</p>	<p>The Local Government Association Peer Challenge recommendations of 2022 are delivered in full by end 2023.</p> <p>Future role of Council family of organisations is defined 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.</p> <p>Colchester City Council closes the budget gap each year through the MTFF. And with CCHL and CBH, is</p>

	and adds value through and with others, such as One Colchester, Essex County Council, the NHS, the Business Improvement District and the Town Deal Board, the Garrison, and the University of Essex.	able to fund capital and asset renewal and investment over the medium term.
Respond to the climate emergency	Conserve and enhance our biodiversity encouraging a love and use of nature. Continuing to be a leader in waste and recycling collections	<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 fresh targets for tree planting and enhancement of biodiversity. With Cymbeline Meadows a publicly accessible nature reserve [by 2025].</p> <p>Waste and recycling services are reviewed and collection arrangements simplified and revised, to support the government recycling collection targets of 70%.</p>
Tackle health, well-being, and happiness	Tackle the causes of inequality and support our most vulnerable people	<p>Work with NHS and other partners on prevention, community engagement and awareness and to support and help those most in need.</p> <p>Provide cost-of-living support and advice to those most in need.</p> <p>Work with residents and partners to address quality of life and issues of happiness and to influence these for better</p>
Deliver homes for those most in need	Increase the number and quality and types of homes. Meet our duty to prevent or assist those facing homelessness	<p>Deliver 30% affordable housing across all our own housing sites.</p> <p>Improve existing Council homes to keep them in good repair and improve energy efficiency.</p> <p>Encourage beautiful and sustainable design by all house builders across the city.</p>
Grow our city's economy so everyone benefits	Work with partners to deliver a shared vision for a vibrant city and attract inward investment	<p>Work towards the Garden Community and deliver the Town Deal with partners, seeking levelling up and other opportunities for similar transformation.</p> <p>Continue to provide economic advice and support to local business and key partners, to attract inward investment for social and economic benefit.</p> <p>Develop a longer term vision and plans with the aid of Ambassadors and partners to maximise the economic and social benefits of city status</p>

Celebrate our city, and our heritage and culture,	Strengthen Colchester's tourism sector and welcome more visitors each year	<p>Deliver with partners the 2023 year of city status celebration.</p> <p>Deliver a step change in marketing Colchester as a destination</p>
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Current Strategic Plan

Tackling the climate challenge and leading sustainability

Key goals listed – highlighting ‘Tackling the climate challenge and leading sustainability’

PRIORITIES	2020–2023 GOALS
Respond to the Climate Emergency	<ul style="list-style-type: none">• Reduce carbon emissions to help achieve a net zero Carbon footprint for Council Services by 2030Environment and sustainability embedded within all Council decision making and the adaptation and recovery from Covid-19• Air quality across Colchester is improved• Continue to support residents to reduce, reuse and recycle their waste
Conserve and enhance biodiversity	<ul style="list-style-type: none">• Minimise the environmental impact of our activities• Enhance environments to create more space for nature to grow and thrive through natural seeding and greening• Discover, nurture and enable the work led by communities that promotes biodiversity• Plant native species and manage our woodlands, meadows and greenspace whilst sustaining existing habitats• Work alongside communities to maintain clean, green neighbourhoods and urban spaces that we all look after and enjoy
Enable more opportunity for walking and cycling around Colchester	<ul style="list-style-type: none">• Work with partners to implement strategies and develop measures to reduce traffic in the town centre• Improve facilities and routes for cyclists and walkers to enable active travel behaviours, healthier lifestyles and reduce car use• Ensure major regeneration projects put physical activity, cycling and walking at the forefront of development
During 2020/21 we will	<ul style="list-style-type: none">• Complete the phasing out of Glyphosate herbicide in Council operations• Embed environment and sustainability impact assessment and prioritisation in all recovery, project and programme management• Roll out use of eCargo bikes with Council teams, local businesses and partners• Model the Council’s carbon footprint in detail and develop a detailed Carbon Management Plan to 2030• Implement sustainable changes to waste and recycling collections that support improved staff wellbeing• Commence construction of the Northern Gateway Heat Network

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Creating safe, healthy and active communities

Key goals listed – highlighting ‘Creating safe, healthy and active communities’

PRIORITIES	2020 – 2023 GOALS
Build on community strengths and assets	<ul style="list-style-type: none"> • Take an Asset Based Community Development (ABCD) Approach and work alongside communities to build a borough where people are more empowered, self-sufficient, healthy, active, happy and doing what they enjoy • Encourage belonging, involvement and responsibility in all Colchester’s communities and neighbourhoods • Work with our partners to make volunteering and community involvement as easy as possible • Maximise developer contributions (such as Section 106) and other funding mechanisms to help fund community infrastructure
Tackle the causes of inequality and support our most vulnerable people	<ul style="list-style-type: none"> • Work alongside Public Health to take steps that mitigate Covid-19 infection risks and control outbreaks across the population • Support residents to do the things they enjoy doing to stay healthy, happy and physically active • Enable access and involvement in community green space, countryside sites, sport, and leisure facilities • Support people to live in healthy homes that meet their needs • Supporting the most vulnerable residents through our One Colchester partnership
Provide opportunities for young people	<ul style="list-style-type: none"> • Provide positive opportunities for young people to engage with their local community and do things that interests them, keeps them safe, makes them happy and supports improved mental wellbeing • Support the creation of strong, safe, and friendly communities that care about each other • Work with Essex Police, Colchester Borough Homes, Essex Youth Service and other partners to reduce anti-social behaviour and tackle serious crime • Work alongside our partners to improve cleanliness and community safety in the town centre • Upgrade and extend the CCTV network to reach more places. Sort the buses out. sports
During 2020/21 we @will	<ul style="list-style-type: none"> • Fully support Public Health England’s Covid-19 Outbreak Control Plans, specifically deploying Environmental Health Officer resources and working with Community360 to continue Shielding where necessary • Facilitate ABCD sessions and awareness within communities, system leaders and members to discover and connect the assets that exist and are mobilised within neighbourhoods • Coproduce investment proposals and deliver interventions that support our vulnerable residents to be more physically active through the Essex Local Delivery Pilot. • Deliver the new Stanway Community Facility for the benefit of the local community

	<ul style="list-style-type: none"> • Work with partners to support victims of domestic violence • Work in partnership with Essex County Council to support vulnerable people to live in homes that promote independence and wellbeing
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Page 6-7

Delivering homes for people who need them

Key goals listed – highlighting ‘Delivering homes for people who need them’

PRIORITIES	2020-2023 GOALS
Increase the number, quality and types of homes	<ul style="list-style-type: none"> • Deliver 30% affordable housing across all our own housing sites • Deliver 380 affordable homes • Improve existing Council homes to keep them in good repair and improve energy efficiency • Build new Council homes for our residents • Ensure all new homes are designed to a high quality across all tenures • Continue to improve and modernise available housing for older people
Prevent households from experiencing homelessness	<ul style="list-style-type: none"> • Work with partners to Implement the 2020-23 Homelessness and Rough Sleeping Strategy 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
Create new communities and adopt a new Local Plan that delivers jobs, homes and the infrastructure to meet the borough’s future needs	<ul style="list-style-type: none"> • Create a Development Plan Document for Tendring Colchester Borders Garden Community • Establish a Delivery Vehicle and investment package for the next phase of the Tendring Colchester Borders Garden Community • Develop the Colchester Northern Gateway as a sustainable place to live, work and play • Ensure the Council has a good supply of land available for new homes and business • Create great places to live through the provision of new homes with infrastructure and facilities that support sustainable living and promote health and wellbeing
During 2020/21 we will	<ul style="list-style-type: none"> • Agree “Phase 2” sites for development by Amphora Homes and undertake feasibility and viability assessments • Adopt section 1 of the Local Plan • Deliver the first mixed tenure housing site built by the Council at Creffield Road • Deliver 100% Council homes at Military Road (8 homes) • Deliver up to 16 new Council homes on the Council’s garage sites • Initiate delivery of an extra ‘100 Council Homes’ through an investment project • Accelerate construction to enable recovery from Covid-19

Growing a fair economy so everyone benefits

Key goals listed – highlighting ‘Growing a fair economy so everyone benefits’

PRIORITIES	2020-2023 GOALS
Enable Economic Recovery from Covid-19 ensuring all residents benefit from growth	<ul style="list-style-type: none"> • Ensure our borough becomes stronger post Covid-19 by supporting businesses to recover, adapt and build resilience. • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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
During 2020/21 we will	<ul style="list-style-type: none"> • Develop and agree the Council’s Economic Recovery plan • Agree the Town Deal bid and Town Investment Plan submission with partners • Deliver the Local Broadband Full Fibre Network project • Work in partnership to support our Business Improvement District

	<ul style="list-style-type: none"> • Providing enhanced support to businesses through Covid-19 working with business networks to direct appropriate interventions • Commence “The Walk”, and provide the attractive main pedestrian and cycle boulevard through Northern Gateway South • Complete and open Colchester Northern Gateway Sports Park
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Celebrating our heritage and culture

Key goals listed – highlighting ‘Celebrating our heritage and culture’

PRIOTITIES	2020-2023 GOALS
Agree and implement a new Cultural Strategy that supports our cultural assets	<ul style="list-style-type: none"> • Work with partners to deliver a collaborative Cultural Vision and Ambitions for the borough • Agree the key milestones and investment necessary to deliver the strategy • Continue to provide sustainable grant funding to support Mercury Theatre, Firstsite and Colchester Arts Centre and help the sector to adapt and recover from the impact of Covid-19 • Identify further opportunities to improve the cultural offer for residents and visitors
Strengthen Colchester’s tourism sector and welcome more visitors each year	<ul style="list-style-type: none"> • Promote Colchester’s heritage and visitor attractions to increase visitor numbers and to support jobs • Expand the events programme to encourage more visitors and position Colchester as a destination for major events • Work with partners and the Town Centre Business Improvement District to improve the public realm for residents and visitors • Improve the information available to visitors through the launch of a new improved website
Protect, enhance and celebrate Colchester’s unique heritage	<ul style="list-style-type: none"> • Enhance and promote our heritage by better revealing our assets by supporting projects and initiatives to increase public awareness and access to their heritage in daily life • Continue to deliver a major exhibition at Colchester Castle every two years • Encourage and support the use of our heritage sites for community events, activities and theatre
During 2020-21 we will	<ul style="list-style-type: none"> • Develop and agree a new Cultural Strategy in collaboration with partners • Complete the Mercury Rising project • Deliver a major exhibition at Colchester Castle • Launch a new visitor website • Work to deliver a scheme redevelopment for Vineyard Gate car park to showcase the Town Wall and provide

	<p>a welcoming arrival point for visitors to the historic town with interpretation and on-site presentation of surviving archaeology and heritage assets</p> <ul style="list-style-type: none"> • Seek grant funding and implement schemes to enhance Balmerne Square and St Nicolas Square as new public spaces to showcase the adjacent assets.
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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'¹ and those who do not²
- (c) foster good relations between people who share a protected characteristic and those who do not.³

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

¹ 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 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.

³ 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+)	√	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. A welcoming and supportive borough will benefit all residents, whatever their personal circumstances or protected characteristics.	None identified	See 10. below
	Younger people (17-25) and children (0-16)				
Disability	Physical		As "Age" above. It aims to create opportunities for all residents in fulfilling their potential. It helps ensure Colchester is a welcoming and safe place that embraces tolerance and diversity. This includes tackling anti-social behaviour such as disability harassment.		
	Sensory				
	Learning				
	Mental health issues				
	Other – <i>specify</i>				
Ethnicity ⁴	White		As "Age" above. It helps ensure Colchester is a welcoming and safe place that embraces tolerance and diversity. This includes tackling anti-social behaviour such as racial harassment.		
	Black				
	Chinese				
	Mixed Ethnic Origin				
	Gypsies/ Travellers				
	Other – <i>please state</i>				
Language	English not first language	As "Age" above.			

⁴ 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 ⁵	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.

⁵ 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 discriminate⁶ against any 'protected characteristic', either directly or indirectly?

- 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
No negative impacts have been identified <input checked="" type="checkbox"/>	Sign off screening and finish.
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.

⁶ 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

Item
7(iii)

25 January 2023

Report of	Chief Operating Officer	Author	Gary Reid ☎ 07874984922
Title	Half Year April – September 2022 Performance Report Key Performance Indicators (KPI) and Other Performance News		
Wards affected	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.

Scrutiny Panel

24 January 2023

Item
12

Report of	Chief Operating Officer	Author	Owen Howell ☎ 282518
Title	2023/24 Housing Revenue Account Estimates and Housing Investment Programme		
Wards affected	Not applicable		

1. Executive summary

- 1.1 This report invites the Panel to review and comment on the 2023/24 Housing Revenue Account Estimates and the Housing Investment Programme reports which are being submitted to Cabinet.

2. Action Required

- 2.1 The Panel is asked to review and comment on the 2023/24 Housing Revenue Account Estimates and the Housing Investment Programme reports which are being submitted to Cabinet on 25 January 2023. Any comments or recommendations made by the Panel will be submitted to the Cabinet meeting for further consideration.

3. Reason for Scrutiny

- 3.1. The attached reports should be read and considered alongside each other to provide an assessment of the Councils overall Housing Revenue Account financial position and plans.
- 3.2 The Panel may, at the Cabinet's request, scrutinise decisions to be taken by the Cabinet and report any comments or concerns for further consideration by Cabinet prior to the decision being taken.

Appendices:

Appendix A – Housing Revenue Account Estimates 2023/24

Appendix B - Housing Investment Programme (HIP) 2023/24

Report of	Chief Operating Officer	Author	Darren Brown ☎ 282891
Title	Housing Revenue Account Estimates 2023/24		
Wards affected	All		

This report presents the Housing Revenue Account (HRA) estimates for 2023/24, the Medium Term Financial Forecast (MTFF) for 2023/24 to 2027/28, and the 30 Year HRA financial model

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 Borough, 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 1st 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 Governments 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 & 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

	Budget 22/23	Commentary
	£'000	
Original Budget Deficit	-	Agreed 26 th January 2022
2021/22 Budgets c/fwd	318	Agreed by Assistant Director of Corporate and Improvement
Revised Budget Deficit	318	

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;

	Outturn 22/23
	£'000
Third Party Payments	272
Net Rental & Tenants Service Charge Income	66
<i>One-off/Technical Items</i>	
Revenue Contribution to Capital (RCCO)	(338)
Forecast 2022/23 Outturn Variance	-

- 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 1st 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 & 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 26th 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 31st 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

	<i>Budget 23/24</i>	<i>Funding Source</i>
	£	
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
Sub-Total: HRA	9,507,300	
Capital Fee	1,713,000	Included within the 2023/24 Housing Investment Programme
Sub-Total: HIP	1,713,000	
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
Sub-Total: General Fund	1,556,700	
Total Management Fee	12,777,000	

- 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 26th 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 Councils 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 & 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 Councils borrowing in respect of the housing stock. This represents a significant proportion of the Councils 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 Councils 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 25th 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 Governments 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 Councils General Fund is already able to borrow using prudential borrowing, so the HRA is simply being treated consistently.
- 5.26 The Councils 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:-

Area	Comment
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 & 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 up to a maximum of £200k per year, but also that they may

Area	Comment
	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 202	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 & 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 Councils 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 Councils 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 & 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 Councils 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 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 Governments 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 Councils 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.

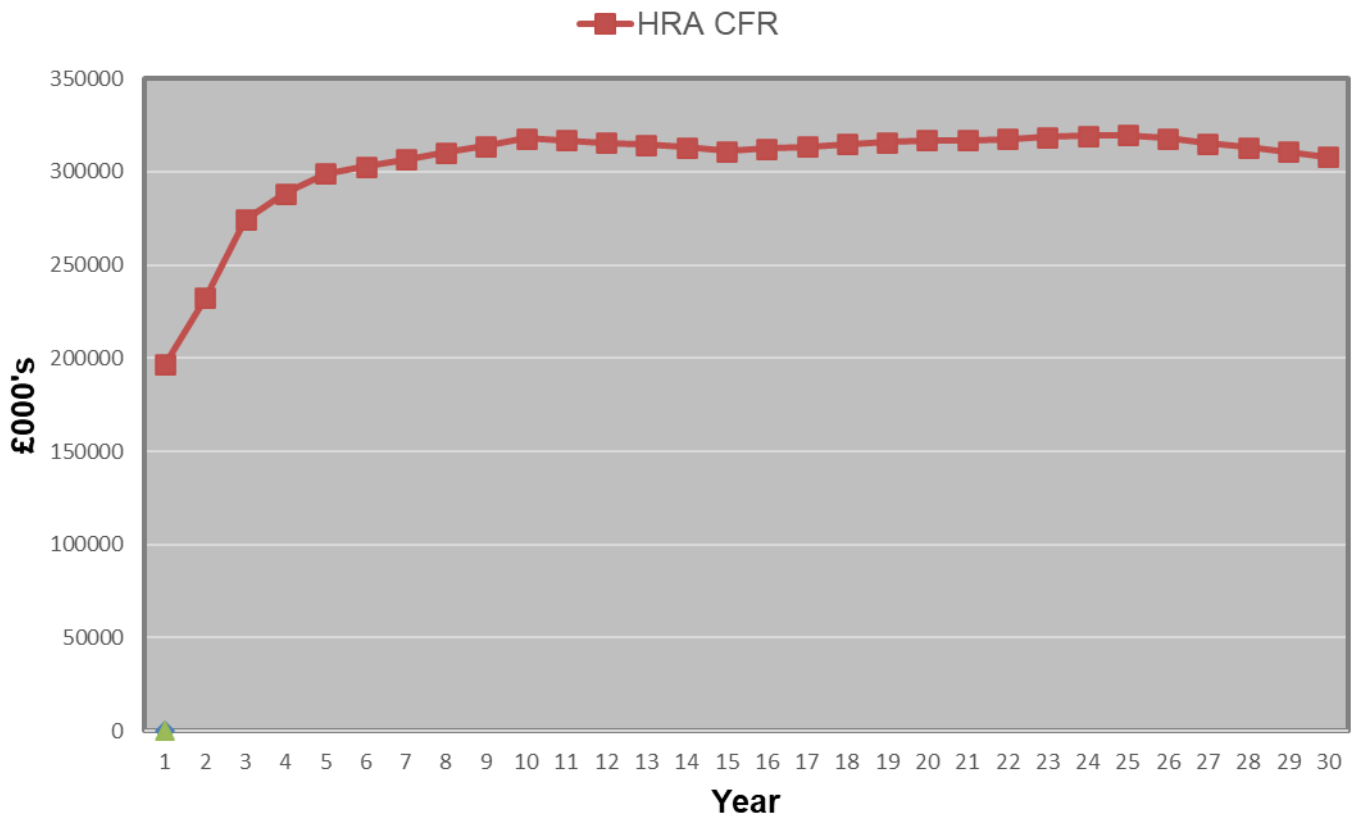
Funding & Financing Assumptions

- 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 1st 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 & 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 actually 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 & 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;

Year	Forecast HRA Debt £000's
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 Governments 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 Councils 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 Cabinets 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 & 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 Councils 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

COLCHESTER BOROUGH COUNCIL			
Revenue Estimates 2023/24			
Housing Revenue Account			
Summary			
2021/22		2022/23	2023/24
Actuals	Expenditure & Income Analysis	Revised	Original
		Budget	Budget
£000's		£000's	£000's
	INCOME		
(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)
(30,215)	Total Income	(31,862)	(34,668)
	EXPENDITURE		
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
24,933	Gross Expenditure	28,216	31,627
(5,282)	Net Cost of Services	(3,646)	(3,041)
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)
(5,295)	Net Operating Expenditure	(3,661)	(3,304)
5,229	Revenue Contribution to Capital Expenditure	3,979	3,304
(66)	Deficit/(Surplus) for the Year	318	-
(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
Balance as at 1 April 2022	(4,555)
Committed - 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	-
<i>Unallocated balance at 31st March 2023</i>	(1,600)
Less Proposed Use of balances in 23/24 Budget	-
Estimated uncommitted balance at 31st March 2024	(1,600)
Recommended level of Balances	(1,600)
Forecast balances above prudent level at 31st March 2024	-

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

Area	Revised Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
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)
	(31,862)	(34,668)	(36,421)	(38,757)	(40,059)	(41,498)
Expenditure						
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
	32,180	34,668	36,421	38,757	40,059	41,498
Budgeted (Surplus)/Deficit	0	0	0	0	0	0
Forecast 2022/23 underspend	0	0	0	0	0	0
Revised (Surplus)/Deficit	318	0	0	0	0	0

Opening Balance	(4,555)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Committed Balance	2,637	-	-	-	-	-
(Surplus)/Deficit	318	-	-	-	-	-
Uncommitted Closing Balance	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)

* 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

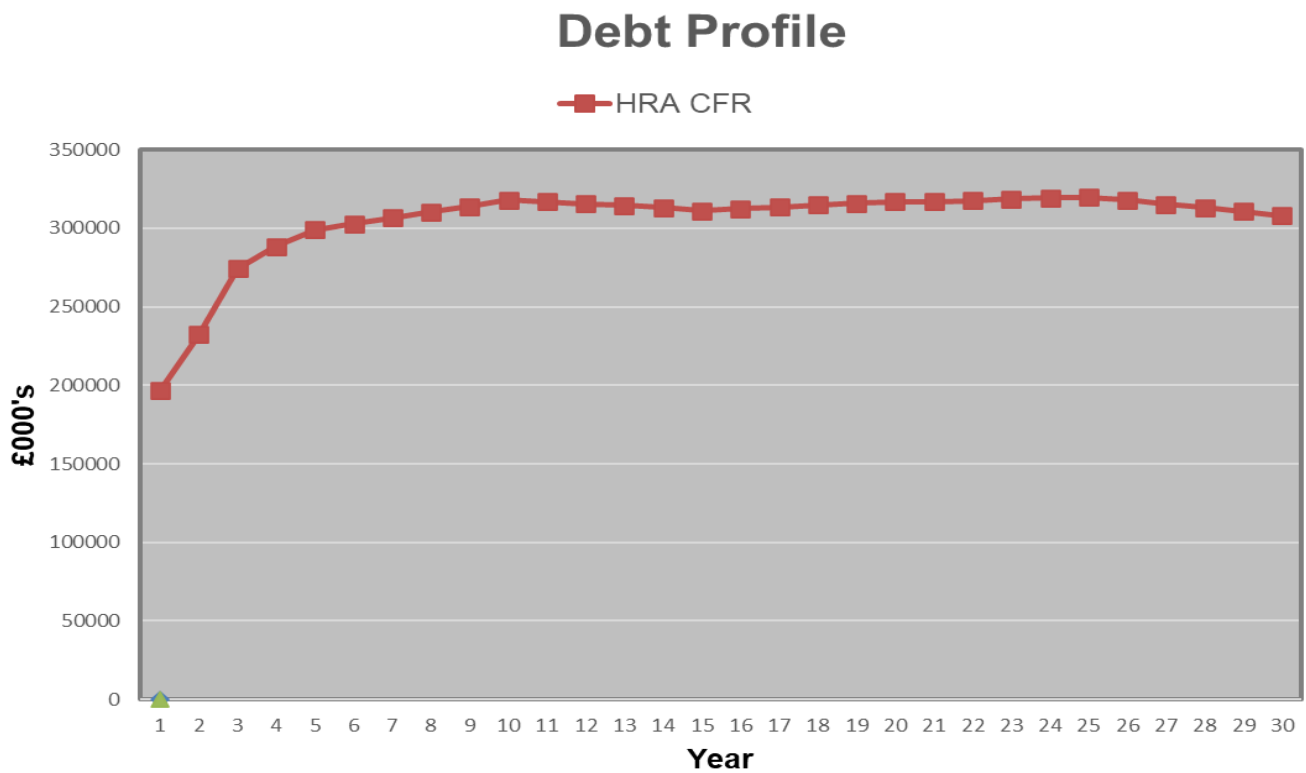
	Minimum Provision £'000
High Risk – 100%	850
Medium – 50%	755
Low – 10%	5
Sub Total	1,610
Other - say	(10)
Recommended Prudent Level	1,600

Housing Revenue Account – 30 Year Financial Model

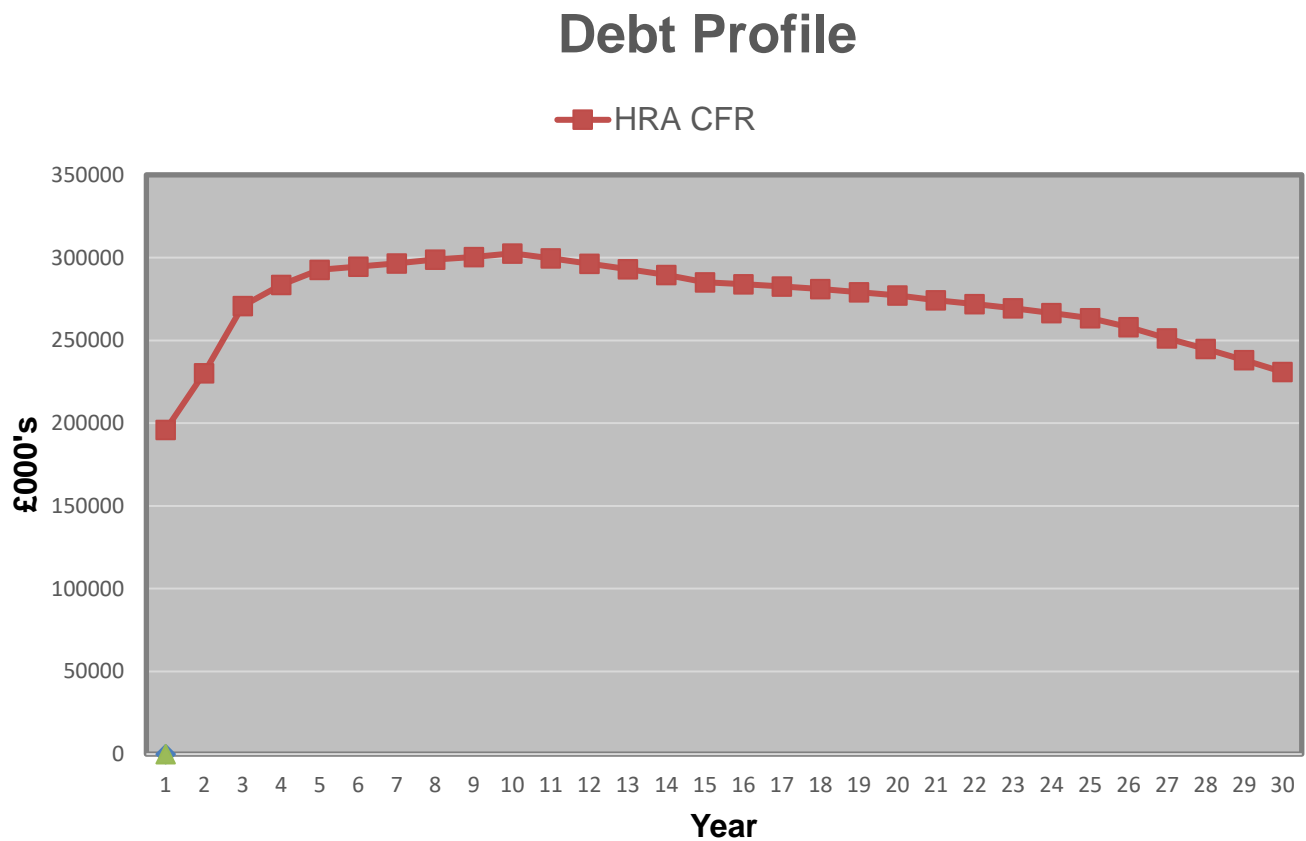
Appendix E

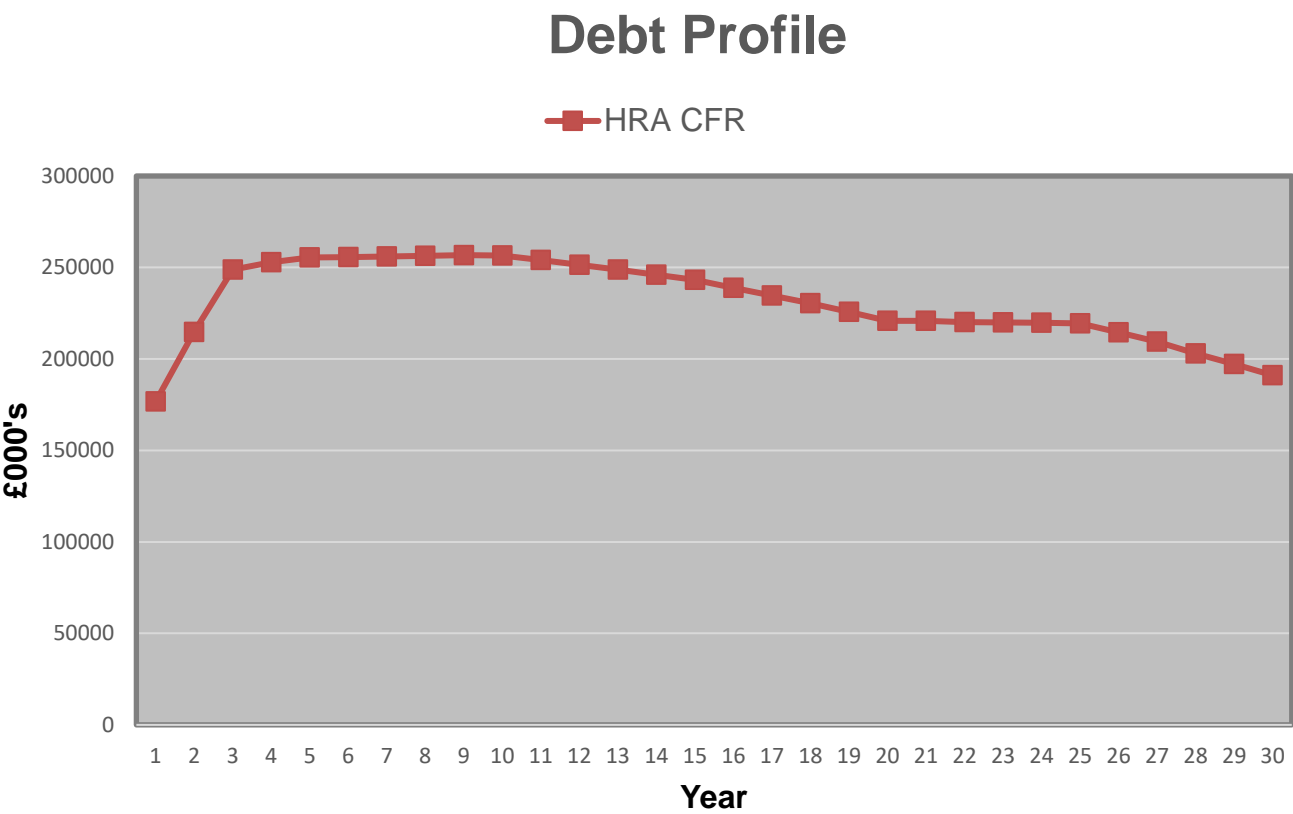
	<u>Year 1</u> <u>2023/24</u> <u>£000's</u>	<u>Year 2</u> <u>2024/25</u> <u>£000's</u>	<u>Year 3</u> <u>2025/26</u> <u>£000's</u>	<u>Year 4</u> <u>2026/27</u> <u>£000's</u>	<u>Year 5</u> <u>2027/28</u> <u>£000's</u>	<u>Year 1-5</u> <u>Total</u> <u>£000's</u>	<u>Year 6-10</u> <u>Total</u> <u>£000's</u>	<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>
Revenue Account											
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)
Capital Account											
<u>Investment:</u>											
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
Total	28,782	53,587	60,762	27,897	24,256	195,284	79,906	62,598	85,103	94,333	92,828
<u>Funded By (Resources):</u>											
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
Total	(28,782)	(53,587)	(60,762)	(27,897)	(24,256)	(195,284)	(79,906)	(62,598)	(85,103)	(94,333)	(92,828)
Debt:											
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

Authors: Darren Brown
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Martin Norgett
☎ 07816204488

Title Housing Investment Programme (HIP) 2023/24

Wards affected All

This report concerns the Housing Investment Programme for 2023/24

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 9th 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 & 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 & 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 £28.782million. 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 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 & Audit committee on 23rd 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 25th 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 CMTFF 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

Expenditure	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
Stock Investment Sub - Total		12,282	16,441	21,021	17,501	16,394
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
Other Works Sub - Total		16,500	37,146	39,741	10,396	7,862
Total Programme		28,782	53,587	60,762	27,897	24,256

Resources	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
Total Funding		28,782	53,587	60,762	27,897	24,256

24 January 2022

Report of	Assistant Director – Corporate and Improvement Services	Author	Owen Howell ☎ 282518
Title	Work Programme 2022-23		
Wards affected	Not applicable		

1. Executive Summary

- 1.1 This report sets out the current Work Programme 2022-2023 for the Scrutiny Panel. This provides details of the reports that are scheduled for each meeting during the municipal year.

2. Action Required

- 2.1 The Panel is asked to consider and approve the contents of the Work Programme for 2022-2023, or request amendments, additions and/or deletions.

3. Background Information

- 3.1 The Panel's work programme evolves as the Municipal Year progresses and items of business are commenced and concluded. At each meeting the opportunity is taken for the work programme to be reviewed and, if necessary, amended according to current circumstances. The draft work programme for 2022-23 is appended to this report. This contains the items which are reviewed each year by the Panel.
- 3.2 The Forward Plan of Key Decisions is included as part of the work programme for the Scrutiny Panel, and this is included an **Appendix A**.

4. Standard References

- 4.1 There are no particular references to publicity or consultation considerations, or financial, equality, diversity, human rights, community safety, health and safety, environmental and sustainability or risk management implications.

5. Strategic Plan References

- 5.1 Scrutiny and challenge is integral to the delivery of the Strategic Plan 2020-2023 priorities and direction for the Borough as set out under the strategic themes of:
- [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](#)

- 5.2 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self-governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

Appendices

Appendix A – Scrutiny Panel Work Programme, 2022-23

Appendix B – Forward Plan of Key Decisions: 1 February 2023 – 31 May 2023

Work Programme for 2022/23

Scrutiny Panel meeting – 7 June 2022
Scrutiny Panel Chairman's briefing – 1 June 2022
<ol style="list-style-type: none"> 1. Town Deal Reporting 2. Work Programme 2022-23
Scrutiny Panel meeting – 5 July 2022
Scrutiny Panel Chairman's briefing – 30 June 2022
<ol style="list-style-type: none"> 1. Council's disbursement of rebate payments on Council Tax 2. Year End 2021/22 Performance Report and Strategic Plan Action Plan 3. Housing Strategy 4. Annual Scrutiny Report 5. Briefing note on Hythe Flooding 6. Recap report on previous Scrutiny Panel reviews of local bus services 7. Work Programme 2022-23
Scrutiny Panel meeting - 16 August 2022 Meeting cancelled for lack of business
Scrutiny Panel Chairman's briefing – 11 August 2022
<ol style="list-style-type: none"> 1. Work Programme 2022-23
Scrutiny Panel (Crime and Disorder Committee) - 13 September 2022
Scrutiny Panel Chairman's briefing – 8 September 2022
<ol style="list-style-type: none"> 1. Safer Colchester Partnership (Crime and Disorder Committee)
Scrutiny Panel – 11 October 2022
Scrutiny Panel Chairman's Briefing – 6 October 2022
<ol style="list-style-type: none"> 1. Briefing from Cllr Julie Young, Portfolio Holder for Housing and Communities 2. Economic Growth Strategy Deferred 3. Review of Colchester Borough Homes: 2021-22 Performance, and discussion of Key Performance Indicator Targets for 2023-24 4. Work Programme 2022-23
Scrutiny Panel meeting - 8 November 2022
Scrutiny Panel Chairman's briefing – 3 November 2022
<ol style="list-style-type: none"> 1. Budget Strategy for 2023-24 2. Update on Town Deal projects' progress 3. Family/local affiliation in letting and/or sale of local affordable housing and Gateway to Homechoice Allocations Policy 4. Work Programme 2022-23

Scrutiny Panel meeting - 13 December 2022
Scrutiny Panel Chairman's briefing – 8 December 2022
<ol style="list-style-type: none"> 1. Briefing by Deputy Leader of the Council and Portfolio Holder for Local Economy and Transformation 2. Draft Economic Strategy [Was due to come before Scrutiny Panel on 16 August 2022 and then 11 October 2022 but delayed to 13 December 2022] 3. Half Year 2022-23 Performance Report 4. Strategic Plan Action Plan progress 5. Local Council Tax Support – Year 2023/24 6. Work Programme 2022-23
Scrutiny Panel meeting - 16 January 2022
Scrutiny Panel Chairman's briefing – 11 January 2022
<ol style="list-style-type: none"> 1. Peer Challenge Review report and action plan 2. Work Programme 2022-23
Scrutiny Panel meeting - 24 January 2023
Scrutiny Panel Chairman's briefing – 19 January 2023
<ol style="list-style-type: none"> 1. Briefing by Portfolio Holder for Resources [focus on Budget 2023-24] 2. Budget Strategy for 2023-24 3. 2023-24 Revenue Budget, Capital Programme, Medium Term Financial Forecast and Treasury Management Investment Strategy 4. Housing Revenue Accounts Estimate and Housing Investment Programme 5. Work Programme 2022-23
Scrutiny Panel - 14 February 2023
Scrutiny Panel Chairman's briefing – 9 February 2023
<ol style="list-style-type: none"> 1. Briefing by Portfolio Holder for Culture and Heritage 2. Briefing by the Leader of the Council 3. Corporate Key Performance Indicator Targets for 2022-23 4. Work Programme 2022-23
Scrutiny Panel meeting– 14 March 2023
Scrutiny Panel Chairman's briefing – 9 March 2023
<ol style="list-style-type: none"> 1. Briefing by Portfolio Holder for Planning and Infrastructure 2. Collection of Section 106 developer contributions 3. One Colchester Partnership 4. Scrutiny Panel Annual Report 5. Work Programme 2022-23
Scrutiny Panel meeting– 15 March 2023
Scrutiny Panel Chairman's briefing – 9 March 2023
<ol style="list-style-type: none"> 1. Briefing by Portfolio Holder for Neighbourhood Services and Waste 2. Briefing by Portfolio Holder for Environment and Sustainability 3. Town Deal projects progress report 4. City Status Programme

Items still to schedule, when possible:

- Council negotiations with Alumno [Monitoring Officer advice is that this will only be able to be scrutinised in open session once the current ongoing legal situation is resolved regarding the Queen Street site]
- Planning trial of local prioritisation for property purchasing [relating to a recent planning application] [Officer advice is that this is at an early stage and is likely to need to wait until 2023-24 to be ready for meaningful scrutiny of scheme and outcomes]

COLCHESTER BOROUGH COUNCIL

FORWARD PLAN OF KEY DECISIONS 1 February 2023 – 31 May 2023

During the period from 1 February 2023 – 31 May 2023* Colchester Borough Council intends to take 'Key Decisions' on the issues set out in the following pages. Key Decisions relate to those executive decisions which are likely to either:

- result in the Council spending or saving money in excess of £500,000; or
- have a significant impact on communities living or working in an area comprising two or more wards within the Borough of Colchester.

This Forward Plan should be seen as an outline of the proposed decisions and it will be updated on a monthly basis. Any questions on specific issues included on the Plan should be addressed to the contact name specified in the Plan. General queries about the Plan itself should be made to Democratic Services (01206) 507832 or email democratic.services@colchester.gov.uk

The Council invites members of the public to attend any of the meetings at which these decisions will be discussed and the documents listed on the Plan and any other documents relevant to each decision which may be submitted to the decision taker can be viewed free of charge although there will be a postage and photocopying charge for any copies made. *All decisions will be available for inspection on the Council's website, www.colchester.gov.uk*

If you wish to request details of documents regarding the 'Key Decisions' outlined in this Plan please contact the individual officer identified.

If you wish to make comments or representations regarding the 'Key Decisions' outlined in this Plan please submit them, in writing, to the Contact Officer highlighted two working days before the date of the decision (as indicated in the brackets in the date of decision column). This will enable your views to be considered by the decision taker. Details of the decision makers are correct at the time of publication.

Contact details for the Council's various service departments are incorporated at the end of this plan.

If you need help with reading or understanding this document please telephone (01206) 282222 or textphone users dial 18001 followed by the full number that you wish to call and we will try to provide a reading service, translation or other formats you may need.

*The Forward Plan also shows decisions which fall before the period covered by the Plan but which have not been taken at the time of the publication of the Plan.

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
Approval to complete the purchase of land/property at ‘The Centre’ Greenstead from Notting Hill Genesis, using funding received via the Estates Regeneration Fund	No	January 2023	Portfolio Holder for Resources, Councillor Mark Cory Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Daniel Barton Greenstead and Youth (Town Deal) Projects Manager 01206 282912: Daniel.Barton@colchester.gov.uk
Award of Contract for Unadopted Roads within Council Housing Estates – HIP Programme	Yes	January 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Geoff Beales Client Services Manager 01206 506514 geoff.beales@colchester.gov.uk

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
Award of Contract for Voids works contract	Yes	January 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Geoff Beales Client Services Manager 01206 506514 geoff.beales@colchester.gov.uk
Award of a contract for the construction of affordable homes at Wheeler Close, Colchester	Yes	January 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
New Strategic Plan The report will propose a new Council Strategic Plan for Cabinet to consider including that it is recommended for approval by Council.	No	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Richard Block Chief Operating Officer 01206 506625 Richard.block@colchester.gov.uk
Local Council Tax Support Scheme	No	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report, draft Scheme	Sam Preston Group Manager, Customer Samantha.preston@colchester.gov.uk 07966237492

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
Commercial Reform of the Northern Gateway Heat Network	Yes	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390
Award of the Contract for the Construction of the Renewable Heat Network Energy Centre and at the Northern Gateway	Yes	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
2023-24 Budget, Transformation, Council Tax and Medium Term Financial Forecast	No	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Paul Cook Head of Finance paul.cookx@colchester.gov.uk
Housing Revenue Estimates 2023-24	No	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Darren Brown Finance Manager darren.brown@colchester.gov.uk 01206 282891

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Housing Investment Programme 2023-24	No	25 January 2023	<p>Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young)</p> <p>Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk</p>	Cabinet report	<p>Darren Brown Finance Manager darren.brown@colchester.gov.uk 01206 282891</p>
Colchester's Economic Strategy 2022-2025	No	25 January 2023	<p>Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young)</p> <p>Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk</p>	Cabinet report Draft Strategy document	<p>Karen Turnbull Economic Development Officer 01206 282915 karen.turnbull@colchester.gov.uk</p>

KEY DECISION REQUIRED	DOES DECISION INCLUDE EXEMPT INFORMATION (or information defined by the Government as Confidential)	DATE OF DECISION or PERIOD DECISION TO BE TAKEN	DECISION MAKER (title and name, including Cabinet, portfolio holders and officers) – details of decision makers correct at time of publication	DOCUMENTS SUBMITTED OR TO BE SUBMITTED TO DECISION TAKER TO CONSIDER (and from where they are available)	CONTACT DETAILS FROM WHICH DOCUMENTS CAN BE OBTAINED (name of the authors of the reports)
Local Government Association Peer Challenge and Action Plan This report will provide details of the Council's response to the key recommendations identified during the recent Local Government Corporate Peer Challenge. It will request that Cabinet approve an action plan to respond to these.	No	25 January 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report, peer challenge report and proposed City Council action plan to respond	Richard Block Chief Operating Officer 01206 506625 Richard.block@colchester.gov.uk
Award of contract for the construction of affordable homes at Veronica Walk, Colchester	Yes	February 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390

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Award of a contract for the construction of affordable homes at Prospero Close, Colchester	Yes	February 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390
Award of a contract for the construction of affordable homes at Hedge Drive, Colchester	Yes	March 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Andrew Tyrrell Client and Business Manager andrew.tyrrell@colchester.gov.uk 01206 2822390

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Authority to award Contract for Delivery of Energy Improvements for the Social Housing Decarbonisation Fund Project	No	March 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Martin Norgett Strategic Client for Asset Management martin.norgett@colchester.gov.uk 07816 204488
Award of Contract for Electrical Installation Condition Reports (EICR's)	No	March 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Martin Norgett Strategic Client for Asset Management martin.norgett@colchester.gov.uk 07816 204488

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Award of Contract for Asbestos Removal	No	March 2023	Portfolio Holder for Housing and Communities, Councillor Julie Young. Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Portfolio Holder report	Martin Norgett Strategic Client for Asset Management martin.norgett@colchester.gov.uk 07816 204488
Request for delegated authority for the award of Housing Revenue Account contracts for the 2023/24 Housing Investment Programme financial year.	No	8 March 2023	Cabinet (Cllrs King, Cory, Cox, Fox, Goss, Luxford Vaughan, Nissen, J. Young) Please contact via Democratic Services (01206) 507832 email: democratic.services@colchester.gov.uk	Cabinet report	Martin Norgett Strategic Client for Asset Management martin.norgett@colchester.gov.uk 07816 204488

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