

Public Document Pack
SOUTHEND-ON-SEA BOROUGH COUNCIL

People Scrutiny Committee

Date: Wednesday, 29th January, 2020

Time: 6.30 pm

Place: Committee Room 1 - Civic Suite

Contact: Robert Harris

Email: committeesection@southend.gov.uk

A G E N D A

- 1 Apologies for Absence**
- 2 Declarations of Interest**
- 3 Questions from Members of the Public**
- 4 Minutes of the Meeting held on Tuesday, 26th November, 2019**

****** ITEMS REFERRED DIRECT BY CABINET HELD ON THURSDAY 16th JANUARY 2020**

- 5 Draft Prioritising Resources to Deliver Better Outcomes – 2020/21 to 2024/25 (Pages 5 - 222)**
Minute 692 (Cabinet Book 1, Agenda Item No. 6 refers)
Referred direct to all three Scrutiny Committees
- 6 Admission Arrangements for Community schools and Admission Co-ordinated Scheme (Pages 223 - 260)**
Minute 705 (Cabinet Book 3, Agenda Item No. 19 refers)
Referred direct by Cabinet
- 7 School Term Dates 2021/22 (Pages 261 - 266)**
Minute 706 (Cabinet Book 3, Agenda Item No. 20 refers)
Referred direct by Cabinet
- 8 Additional Outcome Success Measures Reporting (Pages 267 - 288)**
Minute 708 (Cabinet Book 4, Agenda Item No. 22 refers)
Referred direct to all three Scrutiny Committees
- 9 2019/20 Corporate Risk Register (Pages 289 - 324)**
Minute 710 (Cabinet Book 4, Agenda Item No 24 refers)
Referred direct to all three Scrutiny Committees
- 10 Council Procedure Rule 46 (Pages 325 - 326)**
Minute 712 (Cabinet Book 4, Agenda Item No. 26 refers)
Referred direct to all three Scrutiny Committees

ITEMS CALLED IN FROM THE FORWARD PLAN

NONE

PRE-CABINET SCRUTINY ITEMS

NONE

OTHER SCRUTINY MATTERS

NONE

11 Exclusion of the Public

To agree that, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the item of business set out below on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 12 Council Procedure Rule 46 - Confidential Sheet** (Pages 327 - 328)
Minute 714 (Cabinet Agenda Item No. 28, report circulated separately)
Referred direct by Cabinet

TO: The Chair & Members of the People Scrutiny Committee:

Councillor L Salter (Chair), Councillor N Folkard (Vice-Chair)
Councillors M Borton, H Boyd, A Chalk, A Dear, M Dent, F Evans, D Garne,
B Hooper, M Kelly, C Nevin, K Mitchell, I Shead, M Stafford, A Thompson
and C Willis

Co-opted members

Church of England Diocese –

Fr Jonathan Collis (Voting on Education matters only)

Roman Catholic Diocese –

VACANT (Voting on Education matters only)

Parent Governors

(i) VACANT (Voting on Education matters only)

(ii) VACANT (Voting on Education matters only)

SAVS – K Jackson (Non-Voting))

Healthwatch Southend – J Broadbent (Non-Voting)

Southend Carers Forum – T Watts (Non-Voting)

Observers

Youth Council

(i) N Whitehouse (Non-voting)

(ii) S Kebbell (Non-Voting)

SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of People Scrutiny Committee

Date: Tuesday, 26th November, 2019

Place: Committee Room 1 - Civic Suite

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Present: Councillor L Salter (Chair)
Councillors N Folkard (Vice-Chair), H Boyd, M Borton, A Chalk,
A Dear, M Dent, F Evans, D Garne, B Hooper, M Kelly, K Mitchell,
C Nevin, I Shead, M Stafford and A Thompson
T Watts, K Jackson and J Broadbent (co-opted members)

In Attendance: Councillors T Harp and A Jones (Cabinet Members)
Councillor K Evans
D Simon, S Leftley, F Abbott, K Ramkhelawon, J O'Loughlin and A
Smyth
E Vlas and S Kebbell – Youth Council (observers)

Start/End Time: 6.30 pm - 7.15 pm

563 Apologies for Absence

Apologies for absence were received from The Rev'd Canon Jonathan Collis (co-opted member).

564 Declarations of Interest

The following interests were declared at the meeting:-

- (a) Councillors Jones and Harp (Cabinet Members) – interest in the called in item and referred item; attended pursuant to the dispensation agreed at Council on 19th July 2012, under S.33 of the Localism Act 2011;
- (b) Councillor Jones – Minute 569 (Schools Progress Report) - disqualifying non-pecuniary interest - attended pursuant to the dispensation agreed at Council on 19th July 2012, under S.33 of the Localism Act 2011;
- (c) Councillor Harp – Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – SAVS mentioned in report and wife is an employee of SAVS;
- (d) Councillor Jones - Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – Little Hero's mentioned during discussion and is associated with this group;
- (e) Councillor Kelly – Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – employer is EPUT, mentioned in report;
- (f) Councillor Borton - Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – EPUT mentioned in report and daughter is a Ward Manager at Basildon MHU;
- (g) Councillor Mitchell - Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – daughter lives in supported living accommodation; formerly a Children's Centre Manager until 2013;

- (h) Councillor Nevin - Minute 567 (Southend 2050 Outcome Success Measures) – non-pecuniary interest – niece works for Public Health England; Council representative on Active Southend and is Chair;
- (i) Councillor Hooper – Minute 569 (Schools Progress Report) – non-pecuniary interest – son attends secondary school in Borough; Director of Blade Education (a not-for-profit company) which recruits volunteers and works with local schools.

565 Questions from Members of the Public

Councillor Harp, the Cabinet Member for Health & Adult Social Care responded to a written question from Ms Cowdrey.

566 Minutes of the Meeting held on Tuesday, 8th October, 2019

Resolved:-

That the Minutes of the Meeting held on Tuesday, 8th October, 2019 be confirmed as a correct record and signed.

567 Southend 2050 Outcome Success Measures - Quarter 2 Report 2019/20

The Committee considered Minute 522 of the meeting of Cabinet held on 5th November 2019, which had been referred direct to all three Scrutiny Committees and also called in to the People Scrutiny Committee, together with a report of the Chief Executive. This provided an update on the second quarter of the Southend 2050 Outcome Success Measures for 2019/20.

The Committee asked questions on a number of matters, which were responded to as follows:-

- With regard to ‘active and involved’ and A Better Start Parent Champions and Ambassadors, the Cabinet Member said that she would get some further details on the numbers and the engagement etc;
- With regard to ‘active and involved’ and the number of schools signed up to the Daily Mile Programme or equivalent, the Interim Director of Public Health said that he would circulate a list of the schools which have signed up;
- With regard to ‘active and involved’ and the localities-related information / milestones, the Deputy Chief Executive (People) said he would provide further details on what’s happening in the West Locality;
- With regard to paragraph 5.6 of the covering report, regarding independent living and care homes, the Deputy Chief Executive (People) said that he would provide some more detail on the numbers;
- Commented that it would be helpful for the report to have page numbers and that a ‘key’ be included when data is presented.

Resolved:-

That the following decision of Cabinet be noted:-

“That the Quarter 2 performance, be noted.”

Note: This is an Executive Function

Cabinet member: Cllr Gilbert

568 Working to make lives better - How did we do? (Local Account Adult Social Care 2018/19)

The Committee considered Minute 523 of the meeting of Cabinet held on 5th November 2019 which had been called in to Scrutiny together with a report of the Deputy Chief Executive (People). This presented the draft of the ‘Working to make lives better – how did we do?’ summary for Adult Social Care in 2018-19.

The Committee asked questions on a number of matters, which were responded to as follows:-

- The format of the high level summary is designed to be brief and perhaps needs a list of contact numbers, for example, to help sign-post residents. The Cabinet Member for Health & Adult Social Care said that further work was underway on producing this information, providing further details in community hubs, Children’s Centres, Borough Libraries etc. and that the full report would be available mid-January;
- Future summaries will include further details on numbers, alongside the comment ‘higher proportion’ etc.

Resolved:-

That the following decision of Cabinet be noted:-

“That the draft ‘Working to make lives better – how did we do?’ be noted as the Council’s self-assessment summary for these services.”

Note: This is an Executive Function

Cabinet Member: Cllr Harp

569 Schools Progress Report

The Committee received a report of the Deputy Chief Executive (People) which informed Members of the current position with regard to the performance of all schools, including those causing concern and updated on known Academy developments.

In response to a question about the work being undertaken by ISOS, the Deputy Chief Executive (People) said that the report will be available soon and will be shared with the Committee.

Resolved:

That the report be noted.

Note: This is an Executive Function.
Cabinet Member: Cllr Jones

570 Thanks to Officers

The Chair advised that this would be the last meeting attended by Simon Leftley, Deputy Chief Executive (People) as he is retiring in the New Year. It is also the last meeting attended by Fiona Abbott, Principal Democratic Services Officer who is also leaving the Council in a few weeks.

The Committee extended their thanks and best wishes to both officers and thanked them for their help and support over many years.

Chair: _____

Southend-on-Sea Borough Council

Report of Executive Director (Finance & Resources)

To

Cabinet

On

16 January 2020

Agenda
Item No.

5

Report prepared by:
Pete Bates, Interim Head of Corporate Finance
Caroline Fozzard, Group Manager for Financial Planning and
Control

Draft Prioritising Resources to Deliver Better Outcomes – 2020/21 to 2024/25

All Scrutiny Committees

Cabinet Members: Councillor Ian Gilbert and Councillor Ron Woodley

Part 1 (Public Agenda Item)

1 Purpose of Report

- 1.1 To illustrate over the medium term how the available revenue and capital resources are prioritised to respond to increasing demand for key local services and deliver better outcomes for local residents aligned to our Southend 2050 ambition.
- 1.2 To outline a new approach towards securing long term financial sustainability and more effective medium term business and financial planning.
- 1.3 To propose a fully funded integrated set of revenue budget initiatives and capital investment priorities for consultation, agreement and then submission to Council for approval.

2 Recommendations

The proposed overall investment package contained in this integrated revenue and capital resources report was launched for consultation with relevant stakeholders on 9 January 2020.

The following series of recommendations will ensure that a compliant, balanced and sustainable budget is agreed that invests in key priorities to deliver better outcomes for residents of Southend-on-Sea. This overall budget package is subject to confirmation of the financial settlement, certain assumptions and any consultation responses received by Cabinet prior to its next meeting scheduled for 11th February 2020.

That Cabinet recommend to Council that it:

- 2.1 Approve the draft Financial Sustainability Strategy (Appendix 1);**
- 2.2 Approve the draft Medium Term Financial Strategy (Appendix 2) and the resulting Medium Term Financial Forecast and Earmarked Reserves Balances up to 2024/25 (Annexes 1 and 2 to Appendix 2);**
- 2.3 Consider and acknowledge the Section 151 Officer's report on the robustness of the proposed budget, the adequacy of the Council's reserves and the Reserves Strategy (Appendix 3);**
- 2.4 Approve the appropriation of the sums to earmarked reserves totalling £3.37 million (Appendix 4);**
- 2.5 Approve the appropriation of the sums from earmarked reserves totalling £8.972 million (Appendix 4);**
- 2.6 Approve a General Fund net revenue budget for 2020/21 of £130.428M (Appendix 5a) and any required commencement of consultation, statutory or otherwise;**
- 2.7 Approve a Council Tax increase of 3.99% for the Southend-on-Sea element of the Council Tax for 2020/21, being 1.99% for general use and 2% for Adult Social care (Paragraph 10.10);**
- 2.8 Note that the 2020/21 revenue budget has been prepared on the basis of using £2 million from the Collection Fund for the core budget to allow for a smoothing of the budget gap across the next three financial years (Paragraph 10.9);**
- 2.9 Note the position of the Council's preceptors is to be determined:**
 - Essex Police – no indication of Council Tax position;**
 - Essex Fire & Rescue Services – no indication of Council Tax position;**
 - Leigh-on-Sea Town Council – proposed precept increase ranging from 4.72% to 8.30%;**
- 2.10 Approve that no Special Expenses be charged other than Leigh-on-Sea Town Council precept for 2020/21;**
- 2.11 Approve the proposed General Fund on-going budget investment and reprioritisation of £5.355M (Appendix 6);**
- 2.12 Approve the one-off investment items, as set out in paragraph 10.8 and included within the appropriations (Appendix 7);**
- 2.13 Approve the schools budget and its relevant distribution as recommended by the Education Board (Appendix 8);**

- 2.14 **Consider and approve the Capital Investment Strategy for 2020/21 to 2024/25 (Appendix 9) and the Capital Investment Policy (Annex 1 to Appendix 9);**
- 2.15 **Consider and approve the proposed:**
 - (i) **new schemes and additions to the Capital Investment Programme for the period 2020/21 to 2024/25 totalling £28.4M for the General Fund and £18.7M for the Housing Revenue Account (Appendix 10);**
 - (ii) **schemes subject to viable business cases for the period 2020/21 to 22/23 (Appendix 10);**
- 2.16 **Consider and approve the proposed changes to the current Capital Investment Programme (Appendix 11);**
- 2.17 **Approve the proposed Capital Investment Programme for 2020/21 to 2024/25 (Appendix 12) and note the changes to the approved programme will result in a proposed Capital Investment Programme of £204.8M for 2020/21 to 2024/25 (Appendix 12) of which £51.3M is supported by external funding;**
- 2.18 **Approve the Minimum Revenue Provision (MRP) Policy for 2020/21 (Appendix 13) and the prudential indicators (Appendix 14);**
- 2.19 **The operational boundary and authorised limits for borrowing for 2020/21 are set at £375M and £385M respectively (Appendix 14).**

3 Background

- 3.1 The financial landscape and operating environment for public services generally and for local government in particular remains challenging and uncertain. Local Authorities have been provided with an initial indicative financial settlement for 2020/21 only. No information is currently available for future years. Part of our strategic response to this challenge is to develop a new Financial Sustainability Strategy to outline, at a high level, our ambition, approach, desire and commitment to ensure that Southend-on-Sea Borough Council remains financially stable and resilient for the future.
- 3.2 This approach is important to assess, understand and take responsibility for our financial future. It will also enable us to be proactive in the delivery of our agreed Southend 2050 ambition, key priorities and to provide the best possible value for money services to our local residents, businesses and visitors. Our financial sustainability will be enhanced by embracing the Borough's economic potential, growing our local tax bases and by increasing our income generating and commercial capabilities.
- 3.3 The updated Medium Term Financial Strategy 2020/21 – 2024/25 provides an integrated view of the whole of the Council's finances and priority investment plans over the medium term. This report outlines how scarce revenue and capital resources are prioritised and deployed to respond to increasing demand

for key local services and to deliver better outcomes for local residents aligned to our Southend 2050 ambition, phased priorities and commitments.

4 Southend 2050 Ambition

- 4.1 Building on the extensive engagement and consultation exercise undertaken with residents and key local stakeholders during 2018, this report highlights how this shared and jointly owned ambition for Southend-on-Sea has heavily influenced the investment priorities for 2020/21 – 2024/25. The creation of a new long term borough ambition has also resulted in the introduction of a revised approach to the Council's business planning framework which is clearly driven by 5 Strategic themes, each theme is supported by its own individual plan containing 4-5 focussed outcomes for delivery by 2023 (23 outcomes in total). The 5 themes are summarised in the graphic below:



- 4.2 To reflect these longer term aspirations and to support delivery of the first phase of activities to achieve better outcomes for local residents, the Council for 2020/21 is proposing to develop a longer term view of the use of its resources and financial planning arrangements.
- 4.3 This approach will enhance the profiling of investment and support effective prioritisation of activities. It will also enable improved consideration of major regeneration plans that span more than one financial year from both a revenue and capital perspective. This new set of arrangements was the key driver behind integrating both revenue and capital investment plans into this single report, when historically they have always been separate with less emphasis on the medium term.
- 4.4 Local Government still faces huge challenges in terms of uncertainty over future funding levels and continuing increases in demand and local expectations – Southend-on-Sea is no exception but the Council is determined to do everything it can to plan effectively for the future and invest in priorities that make a real positive difference to local residents, businesses and visitors. The year 2020/21 is clearly an important transitional year in our journey towards becoming a more outcome focussed organisation where our resources are prioritised accordingly.
- 4.5 The overall proposed budget package contained in this report has been developed to target scarce resources to the agreed priorities under Southend

2050 and key delivery phases, whilst also responding positively to major local demand pressures in core service provision.

5 National funding situation

5.1 Spending reviews are critically important to local authorities because they determine how much money will be given to Government departments, many of whom may then provide separate funding allocations to local councils.

5.2 Spending reviews are co-ordinated and managed by HM Treasury. The dates and length of spending reviews vary. Comprehensive spending reviews (CSRs) tend to be less frequent and aim to take a longer term view and usually involve a series of zero-based reviews of public spending.

5.3 A spending review was anticipated for 2019 but due to the parliamentary time devoted to Brexit and the resulting political uncertainty a full review was not undertaken. Instead Government spending round figures were issued for 2020/21 only. The timing on any future spending review will now be determined by the new Government that was elected on 12 December 2019.

5.4 Key one off announcements relevant to Local Government are summarised below:

- Proposed 2% Council Tax referendum limit plus 2% Social Care Precept;
- Business Rates Reset and the Fair Funding Review will be deferred until 2021/22;
- 75% Business Rates Pilots will end in March 2020, with no new pilots planned for 2020/21;
- Revenue Support Grant for 2020/21 will be at 2019/20 levels plus CPI;
- New Homes Bonus – legacy payments will be paid but there is no confirmation regarding new payments going forward;
- Social Care – additional £1 billion nationally to be delivered through grant in addition to the funding currently received in 2019/20. The current funding streams of iBCF, Winter Pressures Grant and Social Care Grant will continue for 2020/21;
- The Better Care Fund (BCF) will increase by 3.4% in real terms, as part of the increase to NHS funding, stated to be a national total of £100M;
- Public Health Grant – will see a real terms increase of £100M to be in line with the increase in the Better Care Fund;
- Schools – an additional £700M High Needs for 2020/21 on top of previous levels of agreed funding;
- Homelessness – additional £54M announced but the detail of the distribution method is not yet known;

5.5 The outcome of the General Election is a Conservative Government with a majority of 80 seats. The Queen's Speech was delivered on 19 December and proposes a total of 29 Bills and various other policies and commitments to outline the legislative programme for the Government. The areas affecting Local Government directly include:

- Social Care - the £1 billion of additional funding for this area is committed for each year of this Parliament and the 2% social care precept for 2020/21 is re-announced;
- Education – schools are to receive an extra £14 billion over three years. Further investment is promised for primary school physical education. From next year councils will be required to deliver the minimum per-pupil funding in their local area as part of the existing Government commitment to deliver this funding directly to schools through a single national formula. The free schools programme will be expanded. The Government has also announced a new National Skills Fund of £3 billion over the course of the Parliament, £1.8 billion over the same period to upgrade Further Education colleges, and announced a plan to establish 20 Institutes of Technology across England.
- Housing – a social housing whitepaper which aims to empower tenants and support the continued supply of social homes. Associated targets are for housebuilding of 1 million properties and an end to rough sleeping by the end of the Parliament;
- Business Rates – The importance of business rates to local authority funding is emphasised. The manifesto pledges of a fundamental review and an increase to the retail discount relief (from 33% to 50%) and extension of this to cinemas and music venues. In addition pub relief and an extension of the local newspaper relief are planned. It is expected that the lost business rates income from these new / higher reliefs announced will be, as per previous changes, offset by increased s31 grant payments and thereby no impact on Local Authorities. The Government restated its commitment to a review of the business rates system and to move to three-yearly revaluations, beginning in 2021. In 2017, the Government adjusted for the impact of revaluation to ensure that authorities' funding positions are unaffected by the changes (subject to the impact of appeals to the new valuations);
- Climate change - a new £640M Nature for Climate fund; £4 billion for flood defences and £9.2 billion for energy efficiency; £800M for carbon capture storage. There is also the intention to support infrastructure for electric vehicles such that there are charging points every 30 miles.

5.6 After the Queens Speech, the Ministry of Housing, Communities and Local Government issued the provisional Local Government finance settlement which was in line with the assumptions made throughout the budget planning process. All possible steps will be taken to ensure that the final settlement aligns with local authority budget setting timetables.

6 Local funding impact

6.1 The key announcements set out in section 5.4 indicate the following provisional allocations for Southend-on-Sea Borough Council:

- Social Care – additional £3.4M to be delivered through grant in addition to the funding currently received in 2019/20, so for 2020/21 the total grant will be £5.6M;

- The current funding streams of £6.744M iBCF, £0.824M Winter Pressures Grant via the BCF pool and £1.517M Disabled Facilities Grant will also continue for 2020/21;
- The Better Care Fund will increase by £0.207M, so for 2020/21 the Fund will be £6.066M
- Public Health Grant will increase by £0.313M, so for 2020/21 the Grant will be £9.525M

Dedicated School Grant Budget and Schools Revenue funding

- 6.2 The Dedicated School Grant (DSG) budget consists of delegated funding to schools, early years providers and providers of pupil's with special educational needs and alternative provision. It is the main source of revenue funding for these settings. There is also an element of this funding that is used to support Southend Borough Council's educational related services.
- 6.3 The current total DSG for 2020/21 is £158.1M (latest allocation for 2019/20 is £150.5M). In practice, although the Education Board and Local Authority remain responsible for allocating the entirety of DSG, the final actual DSG awarded to the local authority will exclude funding for Academies, High Need place funding for both colleges and further education providers, and free special schools, as this is paid directly to them from the Education and Skills Funding Agency. Therefore the final estimated allocation expected to be awarded to the local authority is £51.0M, after considering these estimated deductions of £107.1M.
- 6.4 The Department for Education (DfE) announced on 19 December 2019 the final funding details for 2020/21 which are summarised as below (and note there are 4 blocks of funding allocations within the DSG):

Block	Amount £M's	Detail
Schools Block	123.600	Allowing for 15,068 primary pupils and 11,188 secondary plus growth and premises factors
Early Years Block	10.366	This funding allows for 15 hour universal entitlement and additional 15 hour extended entitlement for 3-4 year olds and 15 hour entitlement for 2 year olds
High Needs Block	22.560	Includes special school and further education place funding, for ages 2 up to 25. Alternative provision funding, hospital education funding, and support for wider SEND services.
Central Schools Services Block	1.574	Includes Education Support Grant and Council support functions
Total DSG 2020/21	158.100	

Key 2020/21 Dedicated Schools Grant DfE Headline Announcements

- 6.5 The DfE announced in September 2019, the following key headlines in relation to Individual School Funding for 2020/21 (schools block); The minimum per pupil levels will be set at £3,750 for primary schools and £5,000 for secondary schools. The funding floor will be set at a 1.84% at a per pupil led funding basis, and all schools attracting their core National Funding Formula (NFF) allocations will benefit by an increase of 4% to those core factors.
- 6.6 In relation to Early Years funding on the 31 October 2019 the DfE announced all local authorities will receive an additional 8p per hour in 2020/21 to help fund child care places.
- 6.7 In relation to high needs block funding allocations, the funding floor (within the NFF) will be set at an 8% uplift with a maximum gains cap of 17%. As Southend's own allocation under the NFF has been below an uncapped formulae this has now meant our local High Needs block for 2020/21 will receive an additional indicative allocation of £3M applying the 17% uplift (of a national gain of £753M).
- 6.8 In relation to central block funding on the 11 October 2019, the DfE stated in 2020/21 there will be a 20% reduction to the element of funding that some authorities receive for historic commitments, which is in line with the previous DfE intentions as part of the NFF to start to unwind this funding element, although no actual amount of funding loss was confirmed until the 11 October 2019. For Southend's own allocation this is an equivalent (£181,000) funding loss (of a national funding loss of £43.5M).

DSG Education Board Decisions

- 6.9 Although the total quantum of DSG is now calculated by a national formula that indicates the amount of funding the DSG will receive, it currently remains a local decision as to how each block of funding is allocated. Education Board (covering School Forum matters) met on both the 22 October 2019 and 17 December 2019 to determine and agree the principle decisions for the allocation of the 2020/21 individual school block allocations. The Board confirmed it wishes for mainstream school allocations to continue with the implementation of the NFF locally, although for 2020/21 the Board has also helpfully agreed for 1 year in 2020/21 only, to cover the £181,000 funding loss to central block historic commitments via a transfer from the schools block.
- 6.10 The recommendations of the DSG budget to the Education Board on the 17 December 2019, **Appendix 8** show the detailed principle breakdown of the proposed 2020/21 Dedicated Schools budget. There will be a final 21 January 2020 Education Board report (for noting only) which sets the final funding allocations for 2020/21, based on the funding principle decisions made by the Education Board in both the 22 October 2019 and 17 December 2019 meetings.

Pupil Premium

- 6.11 In addition to funding from the DSG, schools will receive Pupil Premium grant, which will provide indicative amounts of £1,320 / £935 of funding per primary /

secondary pupil who have been registered for free school meals in any of the past 6 years. Based on initial estimates the total Pupil Premium will provide an additional indicative £7.5 million for schools in Southend-on-Sea (both Maintained and Academy schools).

Schools Capital Funding

- 6.12 In March 2019 the Government confirmed the Education Maintenance Capital allocations and Devolved Formula Capital (DFC) for 2019/20. They also confirmed the Basic Need Allocation for 2019/20 and 2020/21 along with a notification that 22% and 14.3% respectively of this grant would be paid in March 2019 to assist authorities with cash flow.

The grant funding was confirmed as follows:

- £3.82M of basic need funding to provide school places to be paid in 2019/20 and £10.35M for 2020/21 of which £2.32m of this was paid at the end of 2018/19.
- £0.546M of Maintenance Capital for 2019/20 to support the needs of the schools we maintain and for the Sure Start children's centres;
- £0.1M of Devolved Formula Capital for schools for 2019/20;

- 6.13 All of these allocations will be delivered as capital grant.
- 6.14 The Government is currently completing a spending review and future year grants will be confirmed in February 2020 once this is completed.
- 6.15 The Basic Need Grant awarded to Local Authorities includes expansion at academies. The Government also expects all Local Authorities to fund capital works for any new academy arising from a Basic Need requirement unless the new school is funded directly from Central Government.
- 6.16 Government funding is not ring fenced and Southend, like many other authorities, will be spending more on Basic Need than the awarded grant.
- 6.17 Once the 2020/21 maintenance grant has been published officers will produce a draft condition programme. It is hoped, as in previous years, future years indicative amounts will also be included to allow a multi-year programme to be set that will allow schools to plan ahead.
- 6.18 The income received from Central Government for maintenance only covers maintained schools and will continue to reduce in relation to the increase in the number of academies. Academies are able to bid into a central pot directly to the Department for Education for capital funding.
- 6.19 Although the maintenance grant will decrease as more schools convert to academy status the schools condition programme will continue to address high priority condition items at schools and children's centres as far as funds allow, which if not done could result in a closure. The replacement of boilers, curtain walling and rewiring continues to dominate the investment programme.

Highways and Transportation Capital Funding

6.20 The expenditure will be delivered by fully un-ringfenced capital grants.

6.21 The settlement is as follows:

	2020/21 £M
Integrated Transport	1.401
'Needs Based' Highways Capital Maintenance Block	1.121

6.22 The allocations for the Highways Capital Maintenance and the Integrated Transport Block (ITB) for 2020/21 are indicative (although unlikely to change), and are awaiting confirmation from the Department for Transport (DfT).

6.23 Pothole Funding of £250 million was announced in the Budget 2015. This funding is allocated by formula shared by Local Highways Authorities between 2016/17 and 2020/21 based on the road length for which each authority is responsible. The allocated sum to Southend Borough Council is £65k per year until 2020/21.

6.24 To allow the full delivery of the 2020/21 Local Transport Plan (LTP) programme, the full spend is proposed to be met 100% by capital grant.

- Typical schemes are presented in the context of four 'Actions' as set out in the Local Transport Plan (LTP3) Implementation Plan 2015/16 to 2020/21.
- The prioritisation process is set out in diagram 1 of the implementation plan. In addition, maintenance schemes will be progressed using the latest information from the Gaist Asset Management work.
- As in previous years, there is flexibility to allocate funding between the two blocks and the LTP actions.

7 Financial Sustainability Strategy

7.1 This is a new high level long term strategy that frames the financial future and intentions for the Council. It will help set the context for the Medium Term Financial Strategy, guide our approach to maximising resources, prioritising investment and the effective targeting of resources to deliver the ambitions and outcomes contained within the Southend 2050 programme and Roadmap phases.

7.2 Its primary purpose is to outline our approach, desire and commitment to achieving financial sustainability by embracing the area's economic potential, growing our local tax base and increase sustainable income capabilities.

7.3 The new Financial Sustainability Strategy is still under development but an initial draft is attached as **Appendix 1**.

8 Medium Term Financial Strategy (MTFS) 2020/21 – 2024/25

- 8.1 This provides an integrated view of the whole of the Council's finances and outlook over the medium term, i.e. over the next five years. It shows how the Council intends to align its financial resources to the Southend 2050 ambition, five year roadmap and desired outcomes.
- 8.2 It is the Council's key financial planning document which informs business and resource planning and shows how spending needs to be balanced with the amount of available funding. It identifies budget gaps in the medium term to enable the Council sufficient time to address them in a considered, measured and planned way.
- 8.3 The draft MTFS is attached as **Appendix 2**. The key assumptions used in developing this strategy for 2020/21 to 2024/25 are set out in section 1 of the strategy.
- 8.4 The Medium Term Financial Forecast for the years 2020/21 to 2024/25 is shown in **Annex 1 to Appendix 2**. A summary table showing the forecast budget gap for the next for 5 years is shown below.

Year	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Budget gap	£0M	£7.9M	£4.7M	£5.7M	£5.0M	£23.3M

- 8.5 The cost pressures and the action being taken to mitigate those pressures where possible are set out in section 3 of the strategy.
- 8.6 The Section 151 Officer's Statement on the Adequacy of Balances and the Robustness of the Budget is attached as **Appendix 3**. This includes the recommended Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment.
- 8.7 The proposed Earmarked Reserves balances (2019/20 – 2024/25) is shown in **Annex 2 to Appendix 2** and it illustrates not only the appropriations to and from Earmarked Reserves but also the transfers between them. There are a number of re-classifications proposed for 2020/21 including a further £3M to be set aside as a safety net in recognition of the continuing challenge of Children's Social Care, both nationally and locally.
- 8.8 The level of resources available for revenue and capital investment were subject to extensive challenge and prioritisation to ensure that investment is designed to have a positive impact and is aligned to deliver the Southend 2050 outcomes and first phases of the roadmap.
- 8.9 For revenue prioritisation of proposed investment, careful assessment was given to current demands and pressures for existing local priority services and to a range of initiatives that are not only aligned to our 2050 priorities, but would also have a big value for money impact in providing better outcomes for local residents.
- 8.10 For capital prioritisation of proposed investment this is achieved through application of the Capital Investment Strategy. This is a key document which

forms part of the authority’s integrated revenue, capital and balance sheet planning. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It includes an overview of the governance processes for consideration, prioritisation and approval of capital investment. The Capital Investment Strategy for 2020/21 to 2024/25 is attached as **Appendix 9**.

9 Prioritising Resources to Deliver Better Outcomes

- 9.1 Successful and timely delivery of the revenue budget and capital investment programme are a key part of achieving the Southend 2050 ambition and delivering the outcomes and roadmap to 2023.
- 9.2 The following table provides a summary of the range of new revenue investment proposals that form part of this overall budget package. The details of each proposal for 2020/21 is shown at **Appendix 6**. As part of our new longer term planning approach the following table also provides an assessment of each proposal over the medium term. A lot of the proposed initiatives are planned to be a permanent increase in the revenue base budget of the Council and therefore the same level of investment is shown in each of the next 5 years.
- 9.3 The table also contains proposals that do change or are only proposed for a finite length of time. This new approach is under development but will be crucial to help with more effective longer term financial planning. Over £40 Million net extra revenue investment is proposed over the next 5 years for this range of initiatives.

	Investment and reprioritisation	2020-21 (£000)	2021-22 (£000)	2022-23 (£000)	2023-24 (£000)	2024-25 (£000)	5 Year Total (£000)
PJ1	Tree & Shrub Planting/Maintenance	200	200	200	200	200	1,000
	Pride & Joy total	200	200	200	200	200	1,000
SW1	External Care Provision	2,375	2,375	2,375	2,375	2,375	11,875
SW2	In-House Foster Carers	400	400	400	400	400	2,000
SW3	Newly Qualified Social Workers	210	210	210	210	210	1,050
SW4	Field Work Services	115	115	115	115	115	575
SW5	Vulnerable Children	100	100	100	100	100	500
SW6	Children's Social Care Legal Costs	200	200	200	200	200	1,000
SW7	Living Wage for Adult Service Providers	1,095	2,200	3,300	4,400	5,500	16,495
SW8	Children to Adults Transition	350	350	350	350	350	1,750
SW9	Older People Demographics	480	480	480	480	480	2,400
SW10	Equipment Services	250	250	250	250	250	1,250
SW11	Green City Aspirations	120	120	120	120	120	600
SW12	Public Health Act Funeral Arrangements	25	25	25	25	25	125
SW13	Liquid Logic Support Team	155	155	155	155	155	775
SW14	Complex Needs Provision	35	35	35	35	35	175
SW15	Southend Care	(100)	(100)	(100)	(100)	(100)	(500)
	Safe & Well total	5,810	6,915	8,015	9,115	10,215	40,070
OP1	Library Review	100	100	100	100	100	500
OP2	Income Generation - Statutory Fee	(75)	(75)	(75)	(75)	(75)	(375)
OP3	Asset Management Income	(100)	(100)	(100)	(100)	(100)	(500)
	Opportunity & Prosperity total	(75)	(75)	(75)	(75)	(75)	(375)
CS1	Potholes	500	500	500	500	500	2,500
CS2	Town Centre Parking	50	50	50	50	50	250
CS3	Signal Maintenance	50	50	50	50	50	250
CS4	Streetworks Income	500	500	500	500	500	2,500
CS5	Rechargeable Works	100	100	100	100	100	500
	Connected & Smart total	1,200	1,200	1,200	1,200	1,200	6,000
E1	ICT Transformation	200	200	200	200	200	1,000
E2	Workforce Development	100	100	100	100	100	500
E3	Waste Disposal	(800)	(800)	(800)	-	-	(2,400)
E4	Release of Pension Fund Provision	(750)	(750)	(750)	-	-	(2,250)
E5	Productivity and Efficiency Gains	(250)	(250)	(250)	(250)	(250)	(1,250)
E6	Facilities Management	120	120	120	120	120	600
E7	Investment Income	(400)	(400)	(400)	(400)	(400)	(2,000)
	Enabling total	(1,780)	(1,780)	(1,780)	(230)	(230)	(5,800)
	Investment and reprioritisation total	5,355	6,460	7,560	10,210	11,310	40,895

9.4 In addition to these new investment proposals, the Council is also actively involved in a number of projects aimed at reducing the impact of climate change. The Council has been very successful in utilising investment to leverage external grant funding via a competitive bidding processes to be able to undertake projects on a larger scale which in turn will have a greater benefit to the local environment.

These climate change initiatives support our aspirations to achieve net-zero emissions by 2030 in line with the Climate Emergency Declaration. A number of these projects are currently underway and others are in the process of having business cases completed to highlight the benefits of the projects and the funding this will bring in to the Council to support programme delivery.

Projects are split into 5 key themes:

- Energy Management, Generation and Efficiency plus Waste
- Greening and Nature Based Solutions
- Air Quality
- Transport Solutions
- Adaptation to Climate Change

The projects are a mixture of fully funded programmes and schemes which require match funding. This match funding primarily is in the form of staff time or previously approved capital schemes which are contributing towards our Green City ambition.

Current schemes include Plasticity (over €1 million) to work on delivering a new approach to plastic waste which will help us drive up recycling rates over the next 4 years with resident and business engagement, Nature Smart Cities (over €850,000) to help local authorities understand how they can build a business case to approve urban greening projects which will reduce flood risk and provide relief from heat stress, Cool Towns (over €700,000) which will test and validate a number of measures which are designed to reduce heat stress in the Borough and 2imprezs (over €500,000) which has provided a number of energy saving measures in school buildings.

Capital investment

- 9.5 The proposed capital investment programme for 2020/21 to 2024/25 represents a significant investment of nearly £205M on the part of the Council in the Southend area with further schemes that could be added subject to viable business cases being approved. The projected investment in 2020/21 alone amounts to £109M. Key areas of continued investment across the six year period including 2019/20 are as follows:

Pride and Joy

Southend Pier

- 9.6 Capital investment in this area contributes to the desired outcome that the variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors.
- 9.7 Major capital investment in the pier of £16.622M is included in the current programme. New capital investment of £5.335M for the pier is to deliver a continuing planned approach to addressing the condition works and bearing refurbishment identified within the condition survey. This will reduce the requirement for urgent and/or reactive condition works.

Safe and Well

Housing

- 9.8 Capital investment in this area contributes to the desired outcome that we are well on our way to ensuring that everyone has a home that meets their needs. In line with the regeneration framework and development pipeline, sites for housing, wider regeneration and a range of other land uses are being analysed for their development potential and how they can most beneficially fit into a comprehensive development pipeline. The next stage including the high-level feasibility work is being undertaken on an initial batch of sites. The findings of this work will enable a more detailed assessment of the number of units which could be delivered across the pipeline and the most appropriate delivery vehicle for achieving this.

- 9.9 A number of sites within the pipeline are currently underway and a major capital investment of £14.453M is included in this programme to deliver the agreed phases of the affordable housing development programme to provide much needed housing for those on the Homeseeker's Register. A building programme of private, locally affordable housing, for rent and sale is a roadmap goal for 2020.
- 9.10 New capital investment of £9.5M has been included over the next three years to extend the affordable housing acquisitions programme. New capital investment of £6.6M has also been included for 2024/25 to continue the programme of works to maintain the housing stock to decency levels and to invest in environmental health and safety and disabled adaptations works. Subject to designated 2019/20 works being completed the 5,900 houses, flats and bungalows will all be deemed to be at decency levels by March 2020. From 2020/21 there will be newly arising need so these levels need to be maintained to sustain an environment that keeps residents safe and well and there is a £30.1M multi-year programme to do this over the next five years.

Social Care

- 9.11 Capital investment in this area contributes to the desired outcome that we are all effective at protecting and improving the quality of life for the most vulnerable in our community.
- 9.12 A major investment of £13.1M included in this capital programme is the re-development of the Delaware and Priory Residential Care homes and the Viking Day Centre. The new development is due to welcome its first residents in early 2021 and will include the building of a new 60-bedroom care facility and a day centre providing high quality services for people with high and complex needs, including dementia, and incorporating specialist services for people with disabilities. The new centre will be flexible, enabling people to remain as independent as possible offering a wide range of activities to meet individual needs and interests as well as providing personal care, therapeutic and health interventions.

Climate change

- 9.13 Capital investment in this area contributes to the desired outcome that we act as a green city with outstanding examples of energy efficient and carbon neutral buildings, green open spaces, streets, transport and recycling.
- 9.14 Capital investment of £2.2M is included in this programme for energy saving initiatives in line with the declared climate change emergency. Projects include energy efficiency, air quality measurement, solar panels and electric charging points for taxis. Air quality being further improved, particularly around key road junctions is a roadmap goal for 2022.
- 9.15 As a direct response to the effects of climate change capital investment of £6.8M is included in this programme for coastal defence, flood prevention, improving resilience to flooding from extreme weather events and tree planting. As part of the tree planting policy an additional 1,000 trees are being planting between the 2019/20 and 2021/22 planting seasons. These will have the benefit

of absorbing CO2, filtering urban pollution and fine particulates, cooling the air and increasing biodiversity by providing habitat, food and protection for plants and animals.

Opportunity and Prosperity

Enterprise and Regeneration

- 9.16 Capital investment in this area contributes to the desired outcome that key regeneration schemes, such as the Better Queensway and the Airport Business Park are underway and bring prosperity and job opportunities to the borough.
- 9.17 A major investment of £26.335M included in this capital investment programme is for the Airport Business Park, a major strategic employment site in close proximity to London Southend Airport. It is envisaged that the new Business Park will become renowned as a leading regional centre for the science, medical and technology sectors and deliver benefits for both local businesses and local communities. The development will create thousands of job opportunities for local people, attract inward investment and it is hoped it will bring lasting prosperity to the region. Works are progressing well with the phase one utilities and the relocation of the rugby club nearing completion. Phase two works are on schedule with completion due in May 2020.
- 9.18 £15M is included in this capital investment programme for the Council's share of the initial funding of the Porter's Place Southend-on-Sea LLP to deliver the Better Queensway regeneration project.
- 9.19 New capital investment of £1.02M included in this programme is to resource the Council's ability to support, directly deliver, hold accountable and work in partnership with Porter's Place Southend-on-Sea LLP and Swan Housing Association to deliver the Better Queensway regeneration project. The start of the Better Queensway regeneration and housing scheme is a roadmap goal for 2020.

Housing

- 9.20 Capital investment in this area contributes to the desired outcome that key regeneration schemes bring prosperity and job opportunities to the borough.
- 9.21 New capital investment of £2.6M has been included to buy leasehold properties as they become available to facilitate the delivery of the Better Queensway regeneration project. All purchases will be fully reimbursed by this Joint Venture. The start of the Better Queensway regeneration and housing scheme is a roadmap goal for 2020.

Schools

- 9.22 Capital investment in this area contributes to the desired outcome that our children are school and life ready and our workforce is skilled and job ready.
- 9.23 The schools capital investment programme for 2019/20 onwards totals £17.440M. The programme from 2020/21 onwards will continue to be

dominated by the need to provide more school places to cope with the current high pupil numbers, as the demand moves from the primary sector to the secondary schools. New investment of £2.6M has been included in the proposed programme for this. Raising aspiration and educational attainment in deprived areas is a roadmap goal for 2020 and all schools will be good or outstanding is a roadmap goal for 2021.

- 9.24 Thus far expansion projects have been completed at The Eastwood Academy, Shoeburyness High School and Cecil Jones Academy. There are also ongoing projects at St Bernards High School, St Thomas More High School and Belfairs Academy to ensure sufficient accommodation for the extra pupils they started to admit from September 2018. This additional funding will allow the phase two completion of works at Chase High School so they can admit an extra 30 pupils in September 2020 followed by a second increase of 30 in September 2021. Once completed the whole expansion programme will have added 1,250 places across years seven to eleven by September 2024, giving both sufficient places and a small level of surplus as required by the Department for Education that gives parents some choice over which school they wish their children to attend.

Culture and Tourism

- 9.25 Capital investment in this area contributes to the desired outcome that key regeneration schemes are underway and bringing prosperity and job opportunities to the borough.
- 9.26 A major capital investment of £18.480M included in this programme is for Forum II, the second phase development of the Forum in partnership with South Essex College. This is due for opening in September 2021 and will deliver education, cultural and business space so as to increase the opportunity to engage with digital, cultural and creative industries.

Connected and Smart

Highways and Infrastructure

- 9.27 Capital investment in this area contributes to the desired outcome that it is easier for residents, visitors and people who work here to get in and around the borough.
- 9.28 Capital investment of £12.4M is included in this programme for the A127 growth corridor funded from the Local Growth Fund monies from Government and £6.8M included for highway maintenance and transport schemes funded Local Transport Plan monies from Government. Completion of the A127 Bell Junction improvement is a roadmap goal for 2021.
- 9.29 New capital investment of £0.5M included in this programme is to resurface and re-line car parks which have been surveyed and deemed to be areas of concern for the next two years. These include Alexandra Street, Clarence Road, Hamlet Court, Warrior Square and Fairheads Green. Investing in parking infrastructure will reduce the risk of loss of income from parking charges by ensuring that car parks are attractive and well used facilities which are fit for purpose. This is an

important component in implementing our Car Parking Strategy across the Borough.

- 9.30 New capital investment of £1M is for highways infrastructure to reduce long term structural maintenance and improve public safety. This is in addition to the budget of £2M already in the approved capital investment programme in 20/21.
- 9.31 New capital investment of £0.65M is to install junction protection for the prevention of obstructive and indiscriminate parking from road junctions to improve sightlines for drivers and pedestrians and help improve the safety of all road users, whilst also aiding accessibility for all but particularly those with mobility impairments.
- 9.32 New capital investment of £0.6M is for the removal of the existing anti-skid zebra crossing surfacing and replacement using high friction road surface which has a greater life expectancy and provides an enhanced surface for drivers to brake under emergency conditions at hazardous locations.

Enabling

Culture and Tourism

- 9.33 New capital investment of £3.75M included in this programme is to continue the property refurbishment programme. This will enable a proactive approach to ensure investment is made in the fabric and services within buildings before they get to a stage that capital works become urgent or have a detrimental impact on service users' use of the building or leads to urgent repairs and maintenance works which are usually more costs long term.

ICT

- 9.34 New capital investment of £8.165M included in this programme for ICT is to strengthen and enhance cyber security, to modernise and upgrade the hardware, applications and other infrastructure to improve efficiency, resilience and reliability. This is to ensure the ICT is fit for purpose to meet the Council's requirements as it continues its digital journey to a connected and smart borough.

10 General Fund Revenue Budgets 2020/21 – 2024/25

Forecast revenue outturn 2019/20

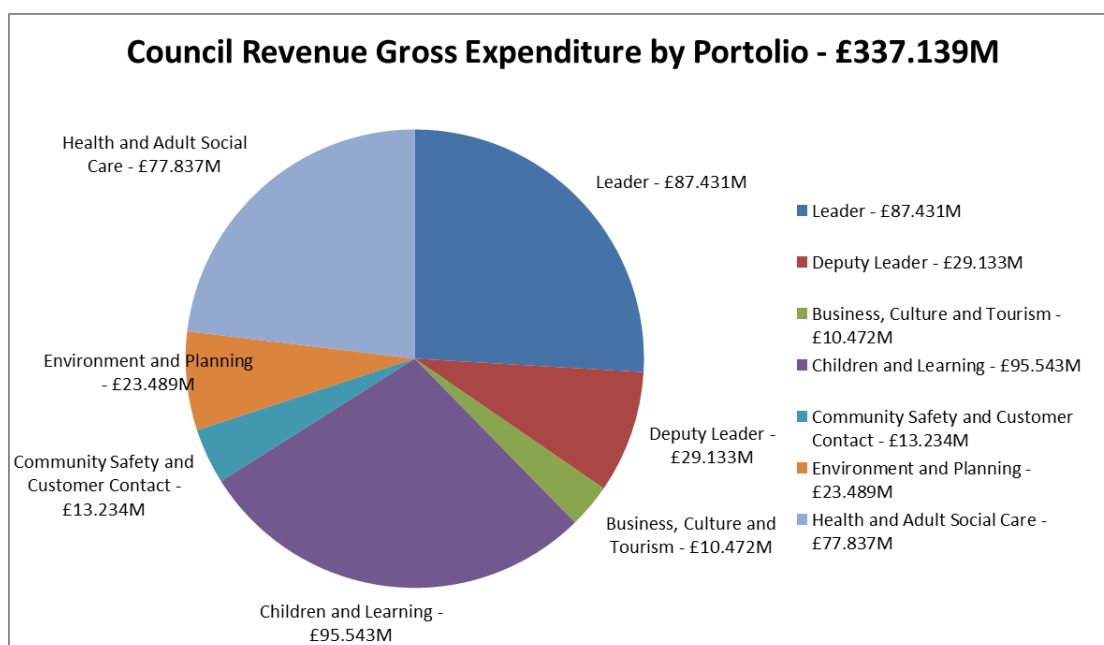
- 10.1 The original General Fund revenue budget for 2019/20 totalled £78.258M (total budget requirement of £123.150M less £44.892M government grants and business rates) and was to be met from available council tax and adult social care precept with no planned use of revenue balances or reserves.
- 10.2 Councillors have been supplied with regular financial monitoring information throughout the year. The latest forecast outturn for 2019/20 is summarised in the Corporate Budget Performance Report – Period 8, elsewhere on this agenda. In keeping with the majority of upper tier local authorities Southend-on-

Sea have been experiencing significant increases in demand and associated costs for key services in Children's and Adults. There has also been increased pressures in highways and transport services.

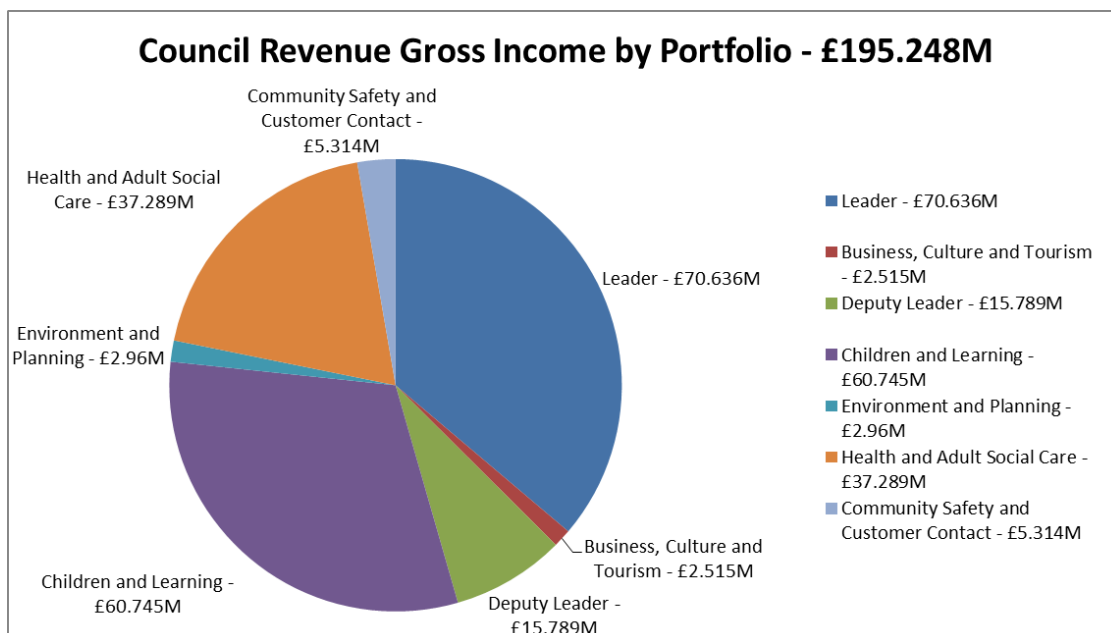
- 10.3 The latest financial forecast for 2019/20 indicates a projected £3.2M overspend. A range of mitigation plans are in place to try and improve this position by the end of the financial year. The situation will be closely monitored for the remainder of the financial year. The anticipated overspend will be met by a combination of using contingency and reserves if required. The actual year-end final position for 2019/20 will be considered as part of the outturn report, which will be presented to Cabinet in June 2020.

General Fund Revenue Budget 2020/21

- 10.4 The proposed gross revenue expenditure for 2020/21 by service and including all the proposed initiatives summarised in section 9.3 is shown in the pie chart below. The detail summarised by portfolio is attached as **Appendix 5b and 5c**.



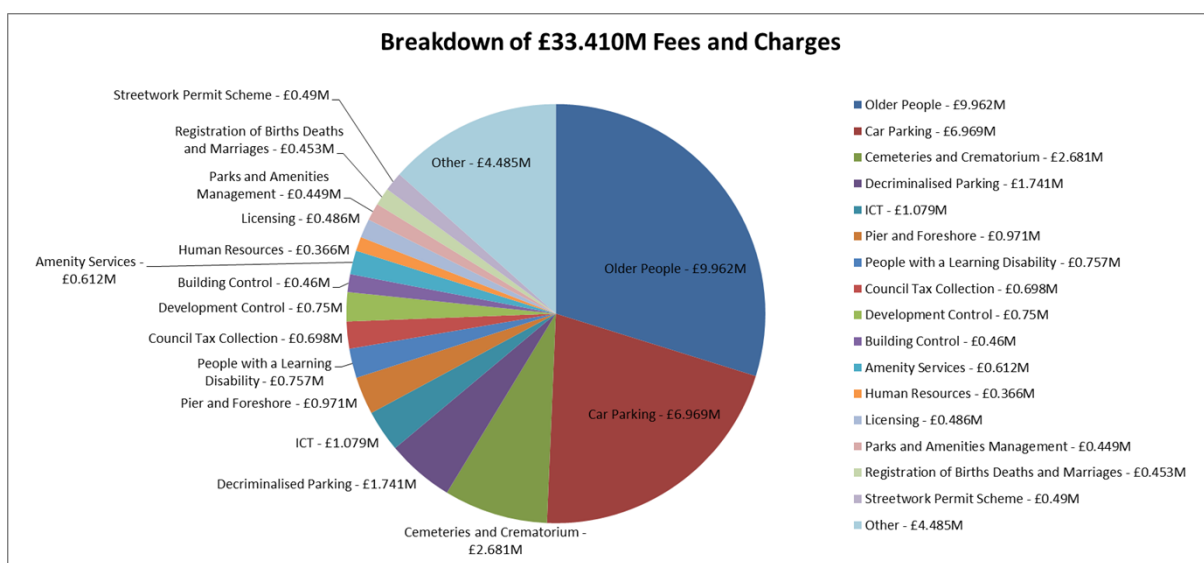
- 10.5 The proposed gross revenue income for 2020/21 by service and income source is shown below:



Fees and Charges

- 10.6 Cabinet at its meeting on 18 September 2018 approved the introduction of a fees and charges policy to cover all fees and charges reviews except car parking charges. This approved policy enabled Chief Officers to set fees and charges annually where the expected yield for a service or category is in line with the budget parameters as set out in the Medium Term Financial Strategy, For 2020/21 the guideline yield has been set at 2% and therefore charges for 2020/21 will be set by Chief Officers within this guideline.
- 10.7 This proposed overall balanced budget package assumes no increase in parking charges for 2020/21. A car parking scoping exercise previously reported to Cabinet is currently under development and a further update will be brought forward when the assessment has been completed.

The proposed breakdown of fees and charges for 2020/21 by service is shown below:



Overall General Fund Budget

The overall proposed balanced General Fund Revenue Budget package for 2020/21 is summarised in the following table.

	2019/20	2020/21
	£M	£M
Net Base Budget		125.073
Net Investment and Reprioritisation		5.355
Revenue Budget	125.647	130.428
Less Available Funding		
Revenue Support Grant	(5.925)	(6.049)
Business Rates	(24.130)	(25.481)
Business Rates Top-Up Grant	(12.337)	(12.551)
Council Tax Surplus	(2.500)	(2.000)
To be funded from Council and ASC Precept	80.755	84.347
General Council Tax	75.022	76.966
ASC Precept Income	5.733	7.381
Balanced Budget	0	0

- 10.8 As part of the budget proposals, there are also some one-off investment items that are proposed to be funded due to their temporary nature by the use of earmarked reserves. These items totalling £4.195M are detailed in **Appendix 7** and are summarised in the following table:

Use of Reserves	2020-21 (£000)	2021-22 (£000)	2022-23 (£000)	3 Year Total (£000)
Service Design	185	185	185	555
Community Safety / Environment Crime	150	150	-	300
Summer and Winter Planning	100	100	100	300
Community Builders / Capacity Building Fund	100	100	-	200
Economic Development	100	100	-	200
Workforce Development	100	50	-	150
Business Transformation Reserve total	735	685	285	1,705
Complex Needs Provision	150	150	-	300
Public Health Reserve total	150	150	-	300
Local Plan	410	130	-	540
Housing Implementation	150	150	-	300
New Homes Bonus Reserve total	560	280	-	840
Outcome Delivery	250	250	250	750
Outcome Delivery Reserve total	250	250	250	750
School Improvement	200	200	200	600
School Improvement Reserve total	200	200	200	600
Use of Reserves total	1,895	1,565	735	4,195

Council Tax 2020/21 and estimated collection fund balance 2019/20

- 10.9 The Council has to formally determine the Council Tax Base (the number of Band D equivalent properties) for 2020/21 and any estimated Collection Fund balance at the end of 2019/20. The Council Tax base for 2020/21 is as reported in a separate report on this agenda for approval by Cabinet as delegated by Council at **58,680.94** (equivalent Band D properties) including Leigh-on-Sea Town Council.

The tax base for Leigh-on-Sea Town Council has been calculated for 2020/21 as **8,845.24** Band D equivalents.

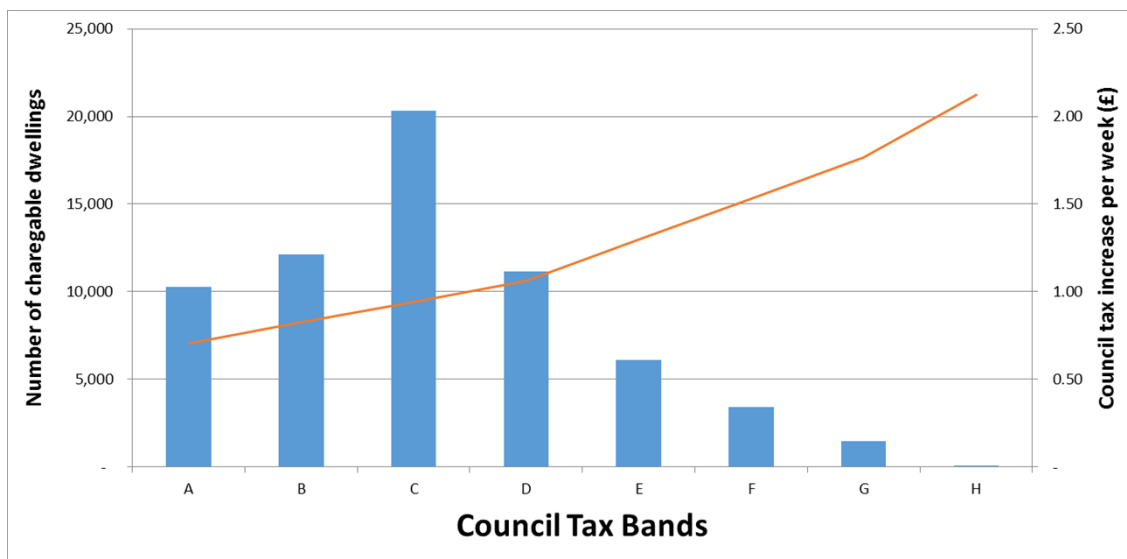
The Council Tax base for Southend-on-Sea has increased as a result of a combination of new properties on the list, coupled with the on-going impact of the agreed discounts and exemptions. The introduction of a new Care Leavers Council Tax Relief Policy and the proposed increase in the Empty Homes Premium to 200% from April 2020 has also been factored into the tax base calculation.

The estimated balance on the Collection Fund in respect of Council Tax as at the end of 2019/20 will be formally reported to Cabinet in February. It is currently assumed that £2M of the projected surplus will be used to support the budget for 2020/21.

Council Tax

- 10.10 Overall, the draft budget assumes a total increase in the Council Tax of 3.99% (that being 1.99% for general use and 2% for the Adult Social Care precept). This would result in a Band D value of £1,437.39 per annum (the Band D level for 2019/20 is £1,382.22). This equates to an annual increase of £55.17 and a weekly increase of £1.06. The following table and bar chart provide an indicative illustration of the impact of the proposed council tax increase for 2020/21 across the range of properties in Southend-on-Sea. Over 70% of properties in the Borough are in council tax bands A to C.

Council Tax Band	A	B	C	D	E	F	G	H
Number of chargeable dwellings	16,168	15,625	23,978	12,541	6,591	3,613	1,559	94
19/20 Council Tax per week (£)	17.72	20.67	23.63	26.58	32.49	38.40	44.30	53.16
Increase per week (£)	0.71	0.82	0.94	1.06	1.30	1.53	1.77	2.12
20/21 Council Tax per week (£)	18.43	21.50	24.57	27.64	33.78	39.93	46.07	55.28



This draft proposed budget assumes a Council Tax increase of 1.99% for general use on the Southend-on-Sea element of the total Council Tax. In addition, the draft budget for 2020/21 also assumes an Adult Social Care precept increase at a level of 2.0% of the main council tax. The ability to apply this precept was introduced by the Government as part of the 2016/17 Local Government finance settlement. It was introduced to assist with the increasing demand and demographic expenditure pressures from Adult Social Care that Local Government has been experiencing and are continuing to face.

The total Council Tax payable by tax payers consists of Southend-on-Sea Borough Council element, the Adult Social Care element and the precepts for Essex Fire & Rescue Services Authority and Essex Police Authority. Where applicable it also includes Leigh-on-Sea Town Council precept.

Precepts

- 10.11 Leigh-on-Sea Town Council has indicated its possible range of precept for 2020/21 depending on a decision to be made at their Town Council meeting of 21 January 2020 regarding essential repairs to their community centre. The highest precept has been indicated as £456,945 (2019/20 = £421,625). Based on their council tax base of 8,845.24, the Town Council element of the total Council Tax bill would increase from £47.70 to £51.66 at Band D, equivalent to an increase of 8.30% from 2019/20. The lowest precept has been indicated as £441,820 (2019/20 = £421,625). Based on their council tax base of 8,845.24, the Town Council element of the total Council Tax bill would increase from £47.70 to £49.95 at Band D, equivalent to an increase of 4.72% from 2019/20.
- 10.12 Essex Fire & Rescue Services and Essex Police through the Police, Fire and Crime Commissioner has by law to set both precepts no later than 1 March 2020 (after consideration by the Essex Police, Fire and Crime Panel on 22 January 2020).

Levies

- 10.13 The Council is required to pay relevant levying bodies, who have only indicated their draft levy position for 2020/21. Updated levies figures will be included in

the final report to Cabinet on 11 February. The final levies will be reported on in the Council Tax report for Council on 20 February 2020. The current position for 2020/21 is identified in the following table:-

Levying Body	2019/20 Probable Actual £000	2020/21 Estimate £000	Percentage increase %
Kent and Essex Inshore Fisheries and Conservation Authority (Provisional)	21.5	21.5	0%
Flood Defence – Environment Agency (Provisional)	200.5	206.5	3%
Coroners Court (Provisional)	417.0	417.0	0%
Total	639.0	645.0	

The Kent and Essex Inshore Fisheries and Conservation Authority levy is provisional and is proposed at the same level as 2019/20. The Flood defence levy is provisional and is based on the increase agreed at the Anglian Eastern Regional Flood and Coastal Committee. The Coroners Court levy is also provisional.

Reserves Strategy and Section 151 Officer's Statement

- 10.14 The Reserves Strategy is set out in the Section 151 Officer's Statement on the Adequacy of Balances attached at **Appendix 3**. Within the boundaries of this strategy the presentation of the budget reflects proposed net appropriations from earmarked reserves totalling £5.602M for which separate approval is sought. Full details are shown in **Appendix 4**.

Staffing Implications

- 10.15 The investment proposals outlined in **Appendix 6** will result in an increase to the staffing establishment of 7 full time equivalent posts. There are no reductions proposed and therefore no compulsory redundancies are required as part of the budget package for 2020/21.

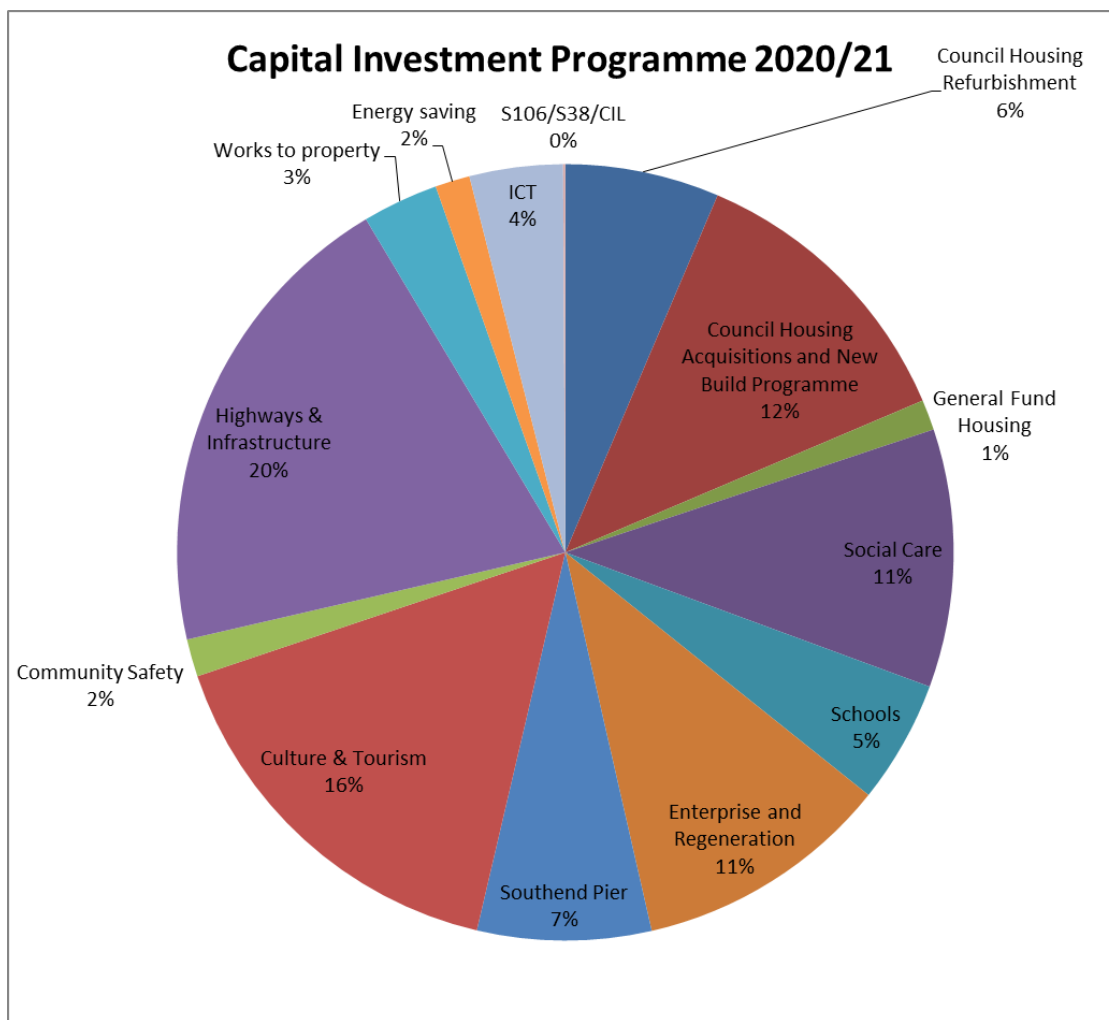
The Council's workforce planning process will continue to provide oversight on all proposed staffing changes and will manage vacant posts (permanent and temporary) to ensure that any staff identified at risk from possible staffing restructures can be redeployed.

Consultations with staff and Trade Unions will continue throughout the budget process.

11 Capital Investment Programme

- 11.1 Each year the Council agrees a Capital Investment Strategy that sets out the framework for controlling and monitoring the Capital Investment Programme. The Capital Investment Strategy is a key document for the Council. It sets out the processes and policies relating to capital expenditure and investment.

- 11.2 The capital investment programme is prepared and developed in accordance with the Council's Capital Investment Strategy, which is attached as **Appendix 9** to this report. In turn, the Capital Investment Strategy has been written in the context of Southend 2050 and the five themes and all capital investment is therefore driven by the aim of contributing to the delivery of the ambition and the desired outcomes.
- 11.3 In February 2019 the Council agreed a capital investment programme budget for 2019/20 of £74.361M. This budget was revised at June Cabinet to £90.073M, further revised to £83.072M at September Cabinet and further revised to £79.826M at November Cabinet. This was a result of approved re-profiles and other amendments following robust monitoring and capital challenge meetings held with the Deputy Leader to ensure that budgets are better aligned to the predicted spend across the years of the programme and to the delivery of the desired outcomes.
- 11.4 Further capital challenge meetings have been held since November Cabinet and the changes resulting from those meetings have been included in this report. This report also includes any other budget amendments identified since November Cabinet. The proposed additions to the capital investment programme for 2020/21 to 2024/25 of £28.4M for the General Fund and £18.7M for the Housing Revenue Account are set out in **Appendix 10**, with the details of each scheme and its funding explained. These proposals have been prepared in line with the prioritisation process set out in the capital investment strategy and consideration has been given to proportionality, prudence, affordability and sustainability.
- 11.5 As a result of the strategy around prioritisation of schemes there are some new schemes and additions that are being proposed which are subject to viable business cases being produced and approved under current governance processes, before they can be brought into the capital investment programme. These schemes are set out in **Appendix 10**.
- 11.6 **Appendix 11** summarises the requests for budget re-profiles, virements between schemes, deletions from the programme where budgets are no longer needed, additions to the programme where new external funding has been received and proposed new schemes and additions to the capital investment programme.
- 11.7 The proposed capital investment programme for 2020/21 by investment area is shown below.



- 11.8 The 2020/21 capital budget is part of the wider capital investment programme spanning several years. The following table shows the revised programme if all the requests in **Appendix 11** are approved:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
At November Cabinet	79,826	97,336	34,452	8,847	7,605	0	228,066
Amendments	(9,649)	11,260	14,515	9,151	4,600	17,050	46,927
Revised programme	70,177	108,596	48,967	17,998	12,205	17,050	274,993

- 11.9 The proposed amended Capital Investment Programme for 2019/20 to 2024/25 is detailed in **Appendix 12**.

Funding of the capital investment programme

- 11.10 The proposed capital investment programme presented in this report is currently fully funded and has been prepared based on the level of borrowing the Council can support, notified capital grants, prudent assumptions over the level of other grants and the timing and valuation of capital receipts (from the sale of existing surplus Council assets) that will be realised.

- 11.11 The proposed estimated funding for the programme (excluding schemes subject to external funding and viable business case approval) is as follows:

Type of funding:	2020/21	2021/22	2022/23	2023/24	2024/25 and future years	Total
	£M	£M	£M	£M	£M	£M
External funding – capital grant	26.7	12.9	0.7	0	0	40.3
External funding – third party contributions	7.7	3.3	0	0	0	11.0
Capital Receipts	7.0	2.2	0.4	0	0	9.6
Major Repairs Reserve (Housing Revenue Account)	6.6	6.6	6.6	6.6	6.6	33.0
Earmarked reserves/ Revenue Contributions	9.1	5.2	1.2	0	0	15.5
Borrowing – Main Schemes ⁽¹⁾	39.0	14.3	7.1	3.6	3.4	67.4
Borrowing – Invest to Save ⁽¹⁾	12.5	4.4	2.0	2.0	7.1	28.0
Total	108.6	48.9	18.0	12.2	17.1	204.8

Note 1 - this relates to both internal and external borrowing

The estimated amounts of internal and external borrowing are shown in the table below:

Borrowing to fund capital schemes	2020/21	2021/22	2022/23	2023/24	2024/25 and future years	Total
	£M	£M	£M	£M	£M	£M
Internal borrowing	6.5	3.7	6.1	4.6	10.5	31.4
External borrowing	45.0	15.0	3.0	1.0	0	64.0
Total borrowing	51.5	18.7	9.1	5.6	10.5	95.4

- 11.12 The Corporate Asset Management Strategy records a clear preference for the retention of freeholds but does recognise that in some circumstances, a disposal is the most appropriate course of action. The capital receipts target of £1M p.a. is retained but is not a key driver for the sale of property. Capital receipts will reduce the need for borrowing to support the Capital Investment Programme if they can be generated.
- 11.13 Individual authorities are responsible for deciding the level of their affordable borrowing. The Government does have powers to limit the aggregate for authorities for national economic reasons, or for an individual authority. Funding schemes by borrowing has a revenue consequence of approximately £70k for every £1M borrowed or if £10M is borrowed this would equate to an increase in Council Tax of approximately 0.8%. The full impact of borrowing costs

associated with the funding of the proposed programme has been included in the Council's current financial planning for 2020/21 to 2024/25.

- 11.14 The Minimum Revenue Provision (MRP) is an amount to be set aside for the repayment of debt. Each Local Authority has a general duty to charge an amount of MRP to revenue which it considers to be prudent, with responsibility being placed upon the full Council to approve an annual MRP policy statement. The MRP policy statement for 2020/21 is attached as **Appendix 13**.
- 11.15 The Treasury Management Strategy covers the management of the council's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks.
- 11.16 The budget includes provision for the financing costs of the Council's Capital Investment Programme, including interest on external borrowings. Offsetting this, the Council will earn interest by temporarily investing its surplus cash, which includes unapplied and set-aside capital receipts. These budgets depend on many factors, not least the Council's level of revenue and capital budgets, use of reserves, methods of funding the budget requirement, interest rates, cash flow and the Council's view of risk.
- 11.17 Audit Committee have responsibility for the scrutiny of the Treasury Management Strategy and it is the subject of a separate report to February Cabinet proceeding to Council for approval in advance of the forthcoming year.
- 11.18 The CIPFA Prudential Code for Capital Finance in Local Authorities has been developed to support Local Authorities in taking capital investment decisions and to ensure that these decisions are supported by a framework which ensures prudence, affordability and sustainability. To demonstrate compliance with these objectives each authority is required to produce a set of prudential indicators. These prudential indicators for capital and treasury management are attached as **Appendix 14**.
- 11.19 It is the Chief Finance Officer's view that this capital investment programme is prudent, affordable and sustainable and the risks associated with it are manageable.

12 Other Options

- 12.1 The Local Government Act requires billing authorities to complete and approve their budgets and set a council tax before 11 March immediately prior to the start of the financial year on 1 April.

13 Reasons for Recommendations

- 13.1 The recommendations in this report are to comply with statutory requirements and relevant Local Authority codes of practice and to ensure the budgets align to and enable the delivery of the Councils ambition and desired outcomes or to enhance the Councils infrastructure.

14 Corporate Implications

14.1 Contribution to the Southend 2050 Road Map

The delivery of a revenue budget and the capital investment programme in line with the recommendations in this report will contribute to the delivery of the Southend 2050 ambition and achievement of the desired outcomes and five year roadmap.

14.2 Financial Implications

As set out in this report.

14.3 Legal Implications

As set out in this report.

14.4 People Implications

None.

14.5 Property Implications

The Capital Investment Strategy and Corporate Asset Management Strategy (CAMS) may affect the Council's property holdings, assets and liabilities. The Strategy and CAMS will reflect the implications of the agreed capital investment programme and any impact on the level of required borrowing.

The CAMS now also includes a Commercial Property Investment Strategy setting out the Council's clear intention to proceed to make commercial property investments on the basis of specialist independent advice and where there is a good, sustainable return to be made both in terms of on-going revenue and long term capital appreciation.

14.6 Consultation

Consultation has taken place with the Chief Executive, Executive Directors and their Directors as part of the budget preparation process who are fully committed to working within the budget proposed. Members are being consulted through Cabinet, Scrutiny and Council.

Consultation with staff and unions will continue throughout the process. Briefings for local businesses and the voluntary sector have been undertaken to give them an opportunity to find out more about what is in the planned draft budget from the Leader, Deputy Leader and Executive Director (Finance & Resources).

Staff have been kept abreast of progress and opportunities for contributions through communications by the Chief Executive and Executive Director (Finance & Resources) and through media briefings.

A number of the investment proposals included within this budget proposal have been included as a result of feedback from our partners and stakeholders as a result of collaborative working to deliver our Southend 2050 outcomes.

14.7 Equalities and Diversity Implications

Assessments have been carried out for all proposed revenue investment and reprioritisation proposals in the 2020/21 budget and for all capital investment proposals where appropriate. This is summarised in **Appendix 15**.

14.8 Risk Assessment

The budget proposals will be subject to the Executive Directors and Directors review of risk and robustness. These have informed the Chief Finance Officer's Section 25 statement on the robustness of estimates and adequacy of reserves as part of this report.

All capital projects are delivered using best practice project management tools as appropriate. This requires a full risk assessment and management review to be carried out. The programme includes an appropriate sum within each project to cover build risk and claims.

14.9 Value for Money

The proposals set out in the report reflect the Council's drive to improve value for money and to deliver significant efficiencies in the way it operates.

All projects are required to follow and adhere to procurement guidance issued by the Council. They must also comply with procedure rules for entering into and managing contracts with suppliers.

14.10 Community Safety Implications

Assessments have been carried out for all revenue and capital investment proposals where appropriate.

14.11 Environmental Impact

Assessments have been carried out for all revenue and capital investment proposals where appropriate.

15 Background Papers

The Local Government Finance Settlement 2020/21, MHCLG
Budget working papers held by the Finance and Resources section
Southend 2050 Ambition / Five Year Roadmap
Southend 2050 – Strategic Delivery Plans

16 Appendices

- Appendix 1 Financial Sustainability Strategy
- Appendix 2 Medium Term Financial Strategy
 - Annex 1 to Appendix 2 – Medium Term Financial Forecast to 2024/25
 - Annex 2 to Appendix 2 – Earmarked Reserves to 2024/25
- Appendix 3 Section 151 Officer's Statement on the Adequacy of Balances and the Robustness of the Budget
- Appendix 4 Appropriations to and from General Fund Earmarked Reserves
- Appendix 5 General Fund revenue budgets for 2020/21 by portfolio
- Appendix 6 Proposed Revenue Investment and Reprioritisation 2020/21 to 2024/25
- Appendix 7 Planned use of One-Off Investment from Reserves 2020/21 to 2022/23
- Appendix 8 Dedicated Schools Grant Budget 2020/21 Budget planning report
- Appendix 9 Capital Investment Strategy – 2020/21 to 2024/25
 - Annex 1 to Appendix 9 – Capital Investment Policy
- Appendix 10 Proposed Investment – Capital
- Appendix 11 Requested Changes to Approved Capital Investment Programme
- Appendix 12 Amended Capital Investment Programme 2020/21 to 2024/25 (2019/20 shown for information)
- Appendix 13 Minimum Revenue Provision Policy 2020/21
- Appendix 14 Prudential Indicators 2020/21 to 2024/25
- Appendix 15 Equality Analyses supporting budget proposals

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Financial Sustainability Strategy

Southend-on-Sea 2020 – 2030

A Strategy to ensure financial resilience for the future

Southend 2050: it all starts here – where we are known for our creativity, our cheek, our just-get-on-with-it independence and our welcoming sense of community. And so, whilst the growth of London and its transport network has made the capital feel closer than ever, we cherish our estuary identity – a seafront that still entertains and a coastline, from Shoebury garrison to the fishing village of Old Leigh, which always inspires. We believe it's our contrasts that give us our strength and ensures that Southend has a vibrant character of its own.

Our shared ambition for Southend 2050 is grounded in the values of Southenders. It is bold, challenging but achievable. It will, however need all elements of our community to work together to make it a reality. We will also need our neighbouring boroughs, and central Government to play their part.

Introduction

This Strategy focusses on the sustainability for the future of Southend-on-Sea Borough Council, and the things we need to do to ensure we are financially resilient:

- Setting out our strategic priorities for financing which in turn will allow us to achieve our desired outcomes.
- Framing the financial future, commitment and intentions for the Council.
- Setting the overall context for the rolling **Medium Term Financial Plan** and the effective targeting of resources to deliver the ambitions and outcomes contained within the Southend 2050 programme and roadmap phases.
- Clearly outlining our approach, desire and commitment to achieving financial sustainability by embracing Southend's economic potential, growing our local tax base and increasing our income generating capabilities.
- Designed to enable all staff and councillors within the Organisation, together with our stakeholders to understand the story of where we are now, where we would like to be and how will we get there. The aim is for this approach to help maximise understanding, ownership and engagement within the local area.

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The financial sustainability strategy is aligned with the Council's other key plans and strategies, notably Local Plan, Economic Development Strategy, Housing Strategy and the Medium Term Financial Strategy. The Council will only achieve financial sustainability through funding and supporting economic and housing growth and maintaining a clear focus on our key outcomes and activities whilst simultaneously ensuring efficient and effective delivery.

This Strategy takes into account a range of factors including the current financial position and performance of the Council, a review of the local economy, proposed local government reform and external analysis relating to wider national economic and political developments.

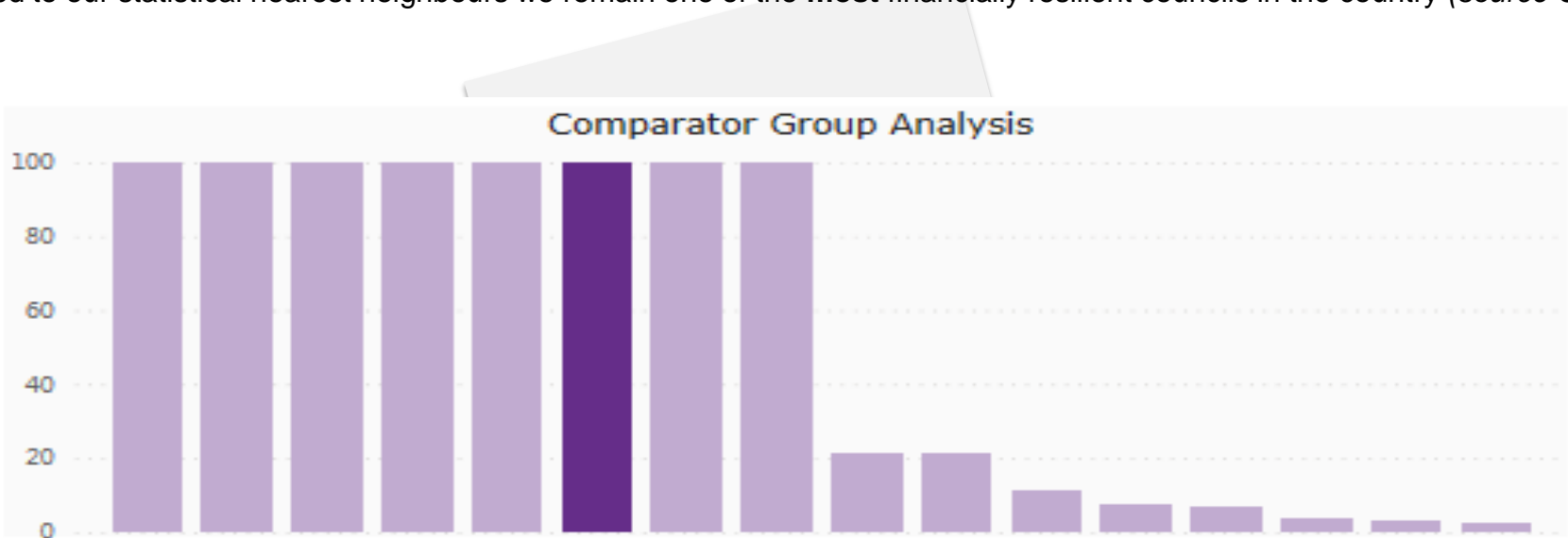
Despite financial uncertainties within the Local Government Sector, the Council is committed to the achievement of long term financial sustainability by embracing the area's economic potential, sustaining our local tax base and being commercial and business-like in the way we operate. This will enable us to become self-sufficient and generate the resources necessary to maintain and reinvest in quality public services.

For our longer term planning, we will need a clear understanding of service delivery objectives and priorities, requiring the right balance of skills and sufficient capacity within the organisation to focus on prioritising resources for the benefit of all stakeholders. This will enable us to direct our investment, resources and business planning to activity to achieving the outcomes, changing the conversation to “what to keep” rather than “what to cut”.

As an organisation we are investing in transformative and innovative service re-design so that we can deliver our 2050 outcome pledges effectively and efficiently.

We recognise that it is essential to work in collaboration with our residents, businesses and our partners to create the right conditions for investment and expansion to ensure that our Ambition is achieved.

Like all Local Authorities, Southend-on-Sea Borough Council has seen a decline in the amount of funding it receives from Government grant. Despite these reductions when compared to our statistical nearest neighbours we remain one of the **most** financially resilient councils in the country (source CIPFA Financial Resilience Index 2019).



Southend 2050



Southend 2050 is the borough's ambition for the future. It was developed following extensive conversations with those that live, work, visit, study and conduct business in Southend-on-Sea. These conversations examined what people thought Southend-on-Sea should be like in 2050 and what steps are needed now, and in the coming years, to help achieve this. The ambition is grounded in the values of Southenders. It is bold and challenging and will need all elements of our community to work together to make it a reality.

The Southend 2050 ambition includes twenty three outcomes which fit into five themes. The five year roadmap timeline identifies key projects that will help make the ambition a reality.

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Pride & Joy:

By 2050 Southenders are fiercely proud of, and go out of their way, to champion what our city has to offer

- There is a tangible sense of pride in the place and local people are actively, and knowledgeably talking up Southend-on-Sea
- The variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors
- We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset
- Our streets and public spaces are clean and inviting



Safe & Well:

By 2050 people in Southend-on-Sea feel safe in all aspects of their lives and are well enough to live fulfilling lives

- People in all parts of the borough feel safe and secure at all times
- Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives
- We are on our way to ensuring that everyone has a home that meets their needs
- We all effective at protecting and improving the quality of life for the most vulnerable in our community
- We act as a Green City with outstanding examples of energy effiecient and carbon neutral buildings, streets, transport and recycling



Active & Involved:

By 2050 we have a thriving, active and involved community that feel invested in our city

- Even more Southenders agree that people from different backgrounds are valued and get on well together
- The benefits of community connection are evident as more people come together to help, support and spend time with each other
- Public services are routinely designed – and sometimes delivered – with their users to best meet their needs
- A range of initiatives help communities come together to enhance their neighbourhood and environment
- More people have active lifestyles and there are significantly fewer people who do not engage in any physical activity



Opportunity & Prosperity:

By 2050 Southend-on-Sea is a successful city and we share our prosperity amongst all of our people

- The Local Plan is setting an exciting planning framework for the borough
- We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities
- Our children are school and life ready and our workforce is skilled and job ready
- Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the borough
- Southend is a place that is renowned for its creative industries, where new businesses thrive and where established employers and others invest for the long term



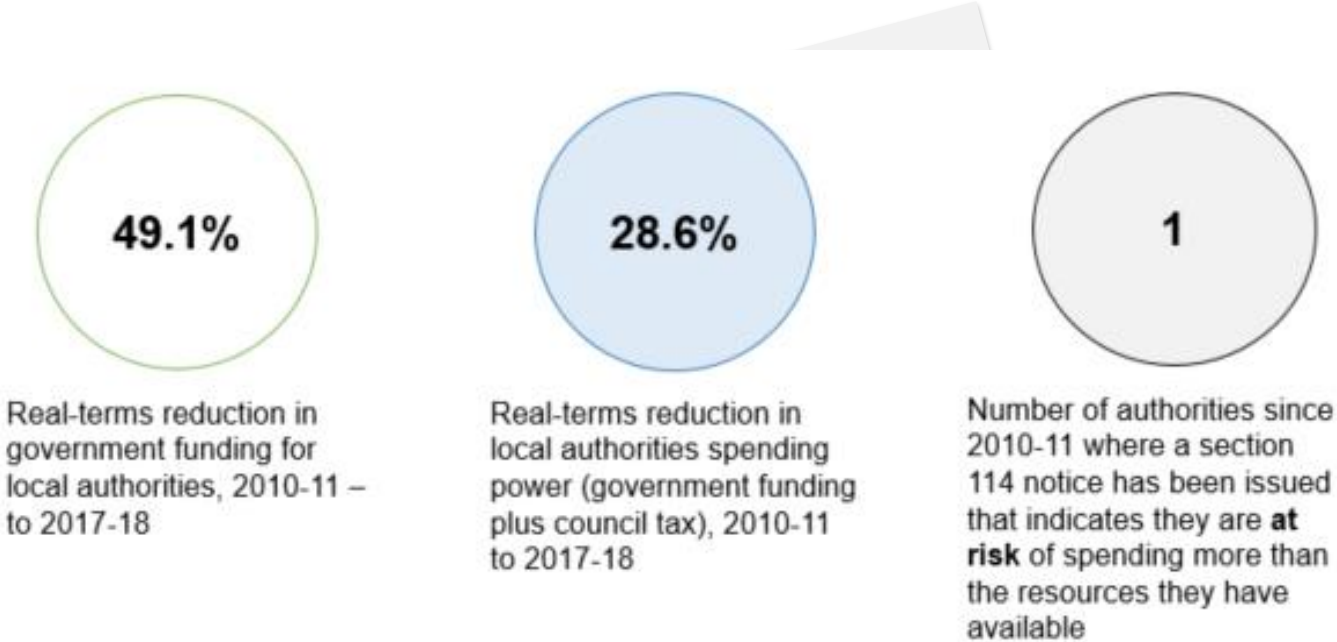
Connected & Smart:

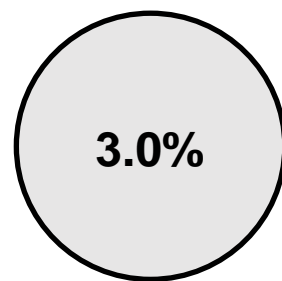
By 2050 people can easily get in, out and around our borough and we have a world class digital infrastructure

- It is easier for residents, visitors and people who work here to get around the borough
- People have a wide choice of transport options
- We are leading the way in making public and private travel smart, clean and green
- Southend is a leading digital city with world class infrastructure that enables the whole population

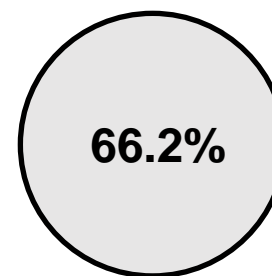
In order to accomplish our aim to achieve financial sustainability, it is important to recognise the challenges that face local government. More financial independence will give us the ability to shape our own future and meet local needs. The Council will be required to move towards enabling others to do more for themselves, rather than being a universal and direct provider of services.

Locally, the Council has seen sustained reductions in its external funding and increased demand across a range of services which is likely to continue for the foreseeable future. According to the 2018 National Audit Office report on sustainability of Local Authorities, between 2010/11 and 2017/18 local government has seen:

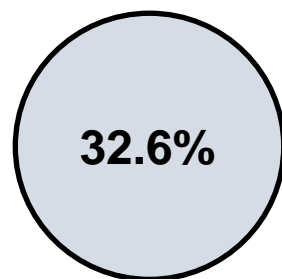




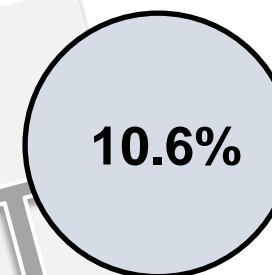
Real-terms reduction in local authority spending on social care services, 2010-11 to 2016-17



Of local authorities with social care responsibilities that drew down their financial reserves in 2016-17



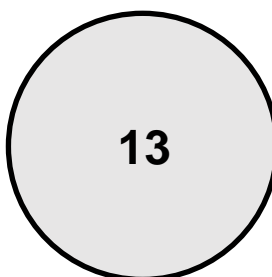
Real-terms reduction in local authority spending on non-social-care services, 2010-11 to 2016-17



Of local authorities with social care responsibilities that would have the equivalent of **less than three years**, worth of reserves left if they continued to use their reserves at the rate they did in 2016-17



Overspend on service budgets by local authorities in 2016-17



The number of departments asked by the Ministry of Housing, Communities & Local Government to provide information as part of the 2015 Spending Review

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UK Economic Growth

UK economic growth at a macro level remains sluggish just as it has since the 2008 financial crisis and subsequent recession. This sluggishness is projected to continue. Latest forecasts estimate that UK GDP growth of 1.3% in 2018 will decrease to 1.2% in 2019 and remain subdued over the next 3–5 years. Economists see this slow growth as being driven by three key factors: weaker private consumption, only modest growth in real wages and households looking to maintain savings. The downward pressure is compounded by constrained business investment and uncertainty around future trade contributions. Ongoing negotiations and uncertainty around the UK's withdrawal from the European Union make future growth even more difficult to predict than usual.

How this macro picture plays out at the local level will have profound implications for the financial resilience and sustainability of local authority finances. For some places – where businesses and employment are in sectors experiencing stronger growth – the local economy will be protected somewhat from changes at the macro level. For others, however, the strength of the local economy will be directly tied to the events playing out nationally. So, if growth continues to slow, businesses may fail or leave the UK and employment opportunities will decrease, increasing pressure on local services. This scenario will also result in reduced income (particularly in terms of business rates) and increased expenditure on demand-led services and on wider economic development services.

Local context

We have succeeded in developing a shared vision for Southend. We undertook extensive engagement within and outside the Council, instilling boldness, creativity and strong, place-based leadership. We have an invaluable framework against which to set shorter-term priorities and make investment decisions. The vision also establishes a set of short- and longer-term outcomes against which to measure and communicate progress, as well as providing a roadmap for the place, bringing partners and budgets together. Culturally, it also provides energy and excitement in Southend, enabling the Council, community and partners to feel more positive about the important role they have to play. It helps shift the mind-set from one of managing decline to one of place shaping. Given the challenges ahead, the importance of culture and behaviours within our authority is going to be critical.

The headline challenges for Southend include:

- Financial sustainability - end of Revenue Support Grant
- Increasing demand for services
- Aging population & rising birth rate
- Future of social care – resourcing and location?
- Delivering sustainable, inclusive place-based growth and housing
- Developing our skills pipeline
- Involving community
- Political uncertainty, nationally and locally
- Harnessing digital/new technologies
- Community Safety - County lines and knife crime

Southend's location has a significant effect on our economy and communities. To the south and east, the town is bordered by a sea that has brought commerce, sustenance, opportunity and tourists to the area for centuries. With Rochford and greenbelt land to the north and Castle Point to the west, Southend has developed as one of the densest urban areas outside of London, creating a metropolitan feel that is quite distinct from the more rural landscape that characterises the rest of Essex.

Southend has an ageing population with the number of people entering the labour market steadily decreasing. During the last decade, however, international and domestic migration has supported an increase in the local labour market. The migration has delivered new business formation, growth in the labour market pool and increased local spend. Continuing to promote and improve Southend's image as a place to live is key to attracting new businesses and investment to the area. It's vital that Southend's principal transport connections to London are maintained and enhanced as these links play an important part in maintaining high average resident wage levels and supporting local economic growth.

182,500

Mid-Year Population Estimate
for Southend
(Nomis July 2018)



7 miles of
coastline



32 parks,
36 play areas



9 railway
stations



£290,592.00
Average House Price Southend-on-Sea
£314,754.00
Average House Price in Essex
£248,939.00
Average House Price in England



Average house price
11x annual salary of
Southend residents



2nd lowest
housing stock
growth of all
cities* in UK



New housing
mostly 1 and 2
bedroom flats



Employment

Southend is a vibrant town, employing approximately 66,200 employees working in over 6,600 businesses. There is a recognised strong entrepreneurial culture in the area and most businesses within Southend are small, with 85.5% of companies employing 10 people or fewer.

Tourism

With over 7 million day visitors each year and over 250,000 longer stay visitors, Southend has significant potential to secure further growth as a major tourism destination. Tourism gives the town its identity centred on its iconic Pier. Tourism and the visitor economy is an important economic driver in the town supporting some 9,500 tourism related jobs. It is also an important economic driver for the adjoining town centre offering complementary leisure facilities including hotel accommodation, bars and restaurants.

Planning Policy

National policy is clear that planning has a key role to play in minimising vulnerability and providing resilience to the impacts of climate change, including coastal change, flood risk, drought, water supply and changes to biodiversity and landscape. It will be essential that appropriate planning policies are put in place in the new local plan to meet these challenges.



12% of Southend's males and **28%** females are economically inactive

Unemployment

Out of Work Benefit Claimants

4,140 - 3.7%
(November 2019)



Average weekly earnings

£312 for women

£546 for men

1,035

New businesses (2017/18)

1,115

Businesses closed (2017/18)

Employment Growth
Sectors – digital, cultural
and creative; healthcare
technology; advanced
manufacturing and
engineering; and tourism

Strong entrepreneurial
culture.
86% of companies
employ 10 staff
or fewer



Expanding
Airport and
business
park



Growing visitor economy.

7m
visitors
per year



Low wage
economy
(those
working in
Southend)



6

Of our wards are amongst the **worse** 20% in the country



Kursaal
ward ranks
136th*



* of 32,844 areas.

10 years difference in life expectancy between residents of most and least affluent areas of Southend



1/3 Southend residents classed as physically inactive and at risk of ill health



Election turnout



25%
Kursaal



Compared to

42.5%
West Leigh

An average overall turnout of **31.74%** highlighting lower civic participation in deprived areas

Average house price
11x annual salary of Southend residents



2nd lowest housing stock growth of all cities* in UK



New housing mostly 1 and 2 bedroom flats



Poor connectivity for ultra-fast broadband compared with other cities*



Traffic congestion on major routes in the AM/PM peak



Low wage economy (those working in Southend)



Need to improve the skills base of residents



Overreliance of retail in the High Street



10 years difference in life expectancy between residents of most and least affluent areas of Southend



1/3 Southend residents classed as physically inactive and at risk of ill health



Renewal and replacement of sea defences



Enhance the built and natural environment





The mid-year population figure for Southend-on-Sea in 2018 was **182,500**



12% of Southend's males and **28%** females are economically inactive



23% of residents agree that they can influence decisions that affect their local area, and **59%** of residents disagree

50

11 / 17

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Wards have a **higher** proportion of children living in poverty than the England average



Average weekly earnings

£312 for women

£546 for men

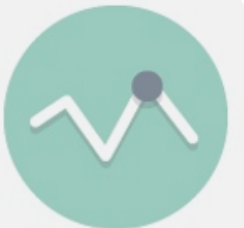
11.1
years
lower
(for men)

Life expectancy in the most deprived areas of Southend compared to the least deprived areas

9.7
years
lower
(for women)

6

Of our wards are amongst the **worse 20%** in the country

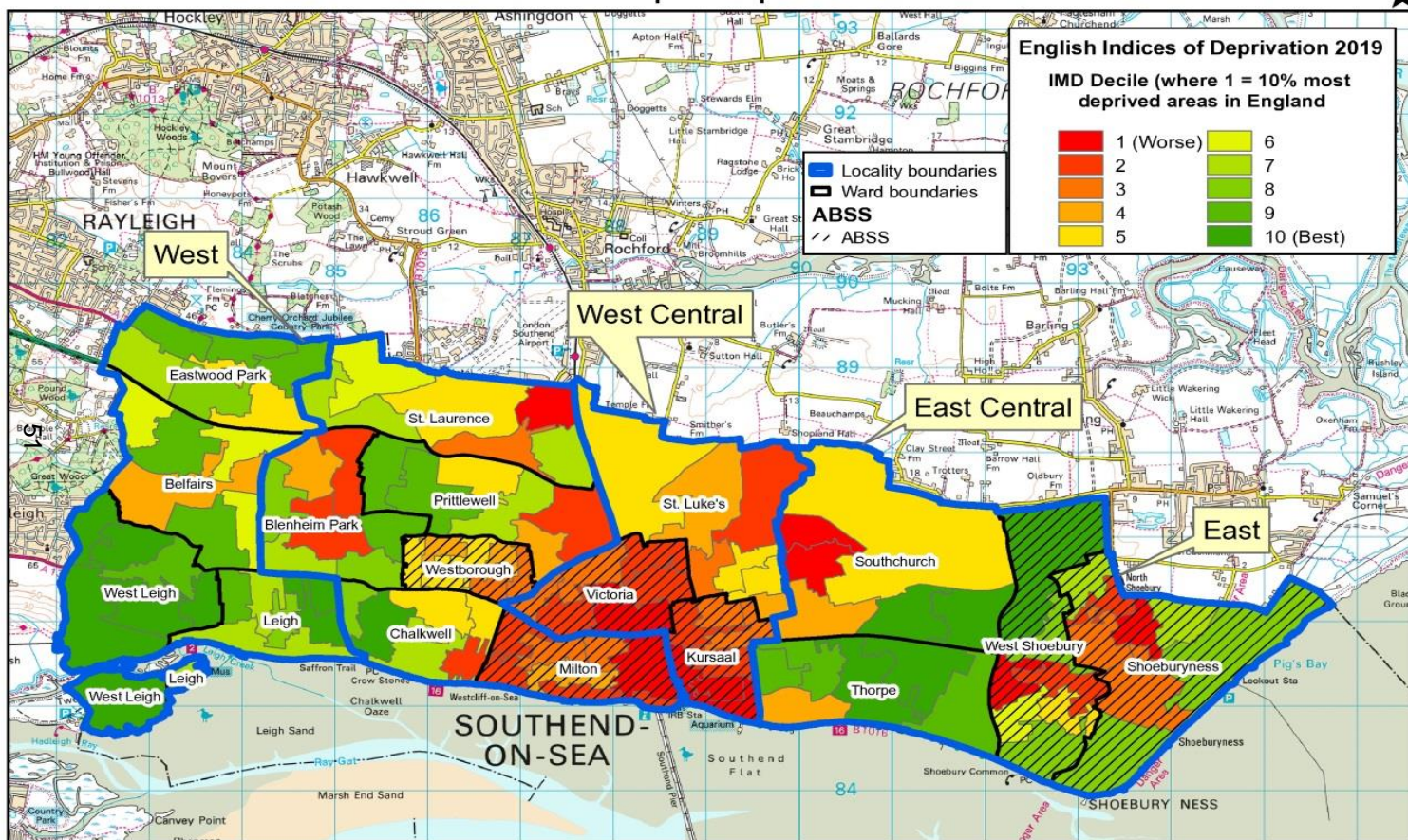


Kursaal
ward ranks
136th*



* of 32,844 areas.

Southend-on-Sea Index of Multiple Deprivation 2019



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Operational Performance & Intelligence Team – Southend-on-Sea Borough Council

Scale 1:55,194

Whilst the picture appears to be improving more generally across the borough, two domain areas have experienced worsening conditions:

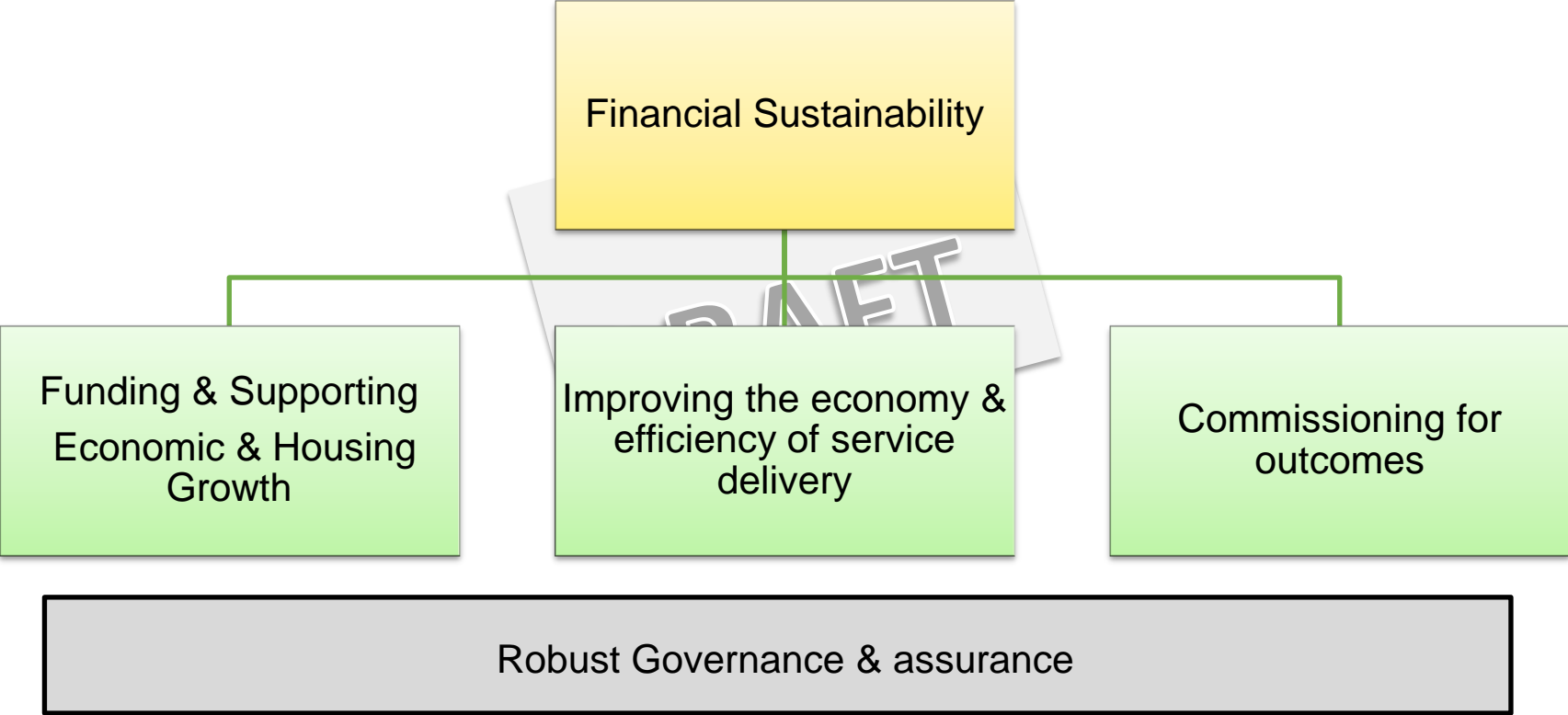
Income Deprivation Affecting Children Index - more wards have fallen into the 50% most deprived decile in 2019 compared to 2015 including an additional 3 wards falling into the 10% most deprived decile.

Barriers to Housing and Services – 8 more wards have fallen into the 50% most deprived decile in 2019 compare to 2015.

Income Deprivation now includes a measure of adults and children in Universal Credit families where the adults are not working or looking for work.

Framing our Future

The Strategy will drive the long term emphasis of delivering financial sustainability in order to achieve the Southend 2050 Ambition, with a focus on:

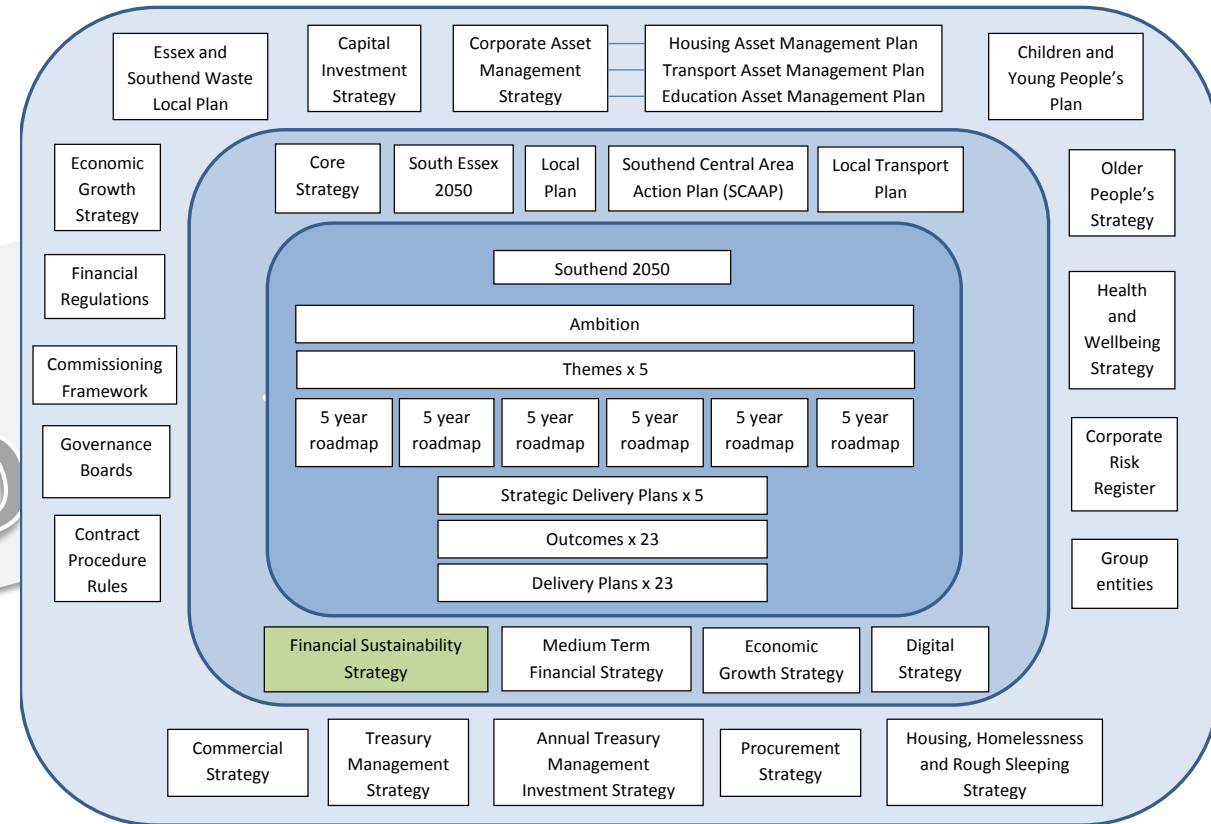


- Embracing Southend's economic potential by creating great conditions for businesses
- Enabling others to do more for themselves through asset based community development – people taking responsibility and enable them to live fulfilling lives.
- Proactively using reserves to better effect whilst maintaining adequate levels to deal with risks and fund opportunities.
- Being more commercial and business focussed
- Taking an outcome based investment approach
- Making the most of opportunities for improvement through capital projects and grant funding
- Being clear about our appetite for risk
- Taking a long term financial strategic approach
- Applying customer-led 'Design Thinking' approach to our services
- Being an organisation that is financially aware and has a business mind set
- Creating the right conditions for the private sector to invest

A clear and robust strategy is required to ensure we are financially resilient. This will

- Set out our **strategic priorities** for financing which in turn will allow us to achieve our outcomes.
- Frame the financial future, commitment and intentions for the Council.
- Set the overall context for the rolling Medium Term Financial Plan and the effective targeting of resources to deliver the ambitions and outcomes contained within the Southend 2050 programme and roadmap phases.
- Clearly outline our approach, desire and commitment to achieving financial sustainability by embracing Southend's economic potential, growing our local tax base and maximising our income generating capabilities.
- Enable all staff and councillors to understand the story of "where we are now", "where we would like to be" and "how can we get there".
- Extend understanding, ownership and engagement within the local area amongst our citizens and partners.
- Use reserves to smooth funding over time and provide capacity to respond to one-off events.

FINANCIAL SUSTAINABILITY STRATEGY – LINKS TO OTHER STRATEGIES AND PLANS



Economic & demographic developments

Digitalisation, automation and artificial intelligence (AI) are likely to impact on a number of jobs in sectors like transportation, hotels and restaurants, manufacturing, trade and construction. Digital technology is anticipated to change traditional employment structures changing the nature of demand on office space. The Council will encourage and embrace digital change within its own activities.

Demographic change and an aging population will create demand for products, services and technologies and a shift in public expenditure to meet rising health and social care costs. The declining workforce will have implications on the labour market with recruitment difficulties causing a potential rise in investment in technologies which reduce the dependence on labour. Where demographic change is impacting on Council activities it will seek to mitigate through prevention and early intervention stages.

This financial sustainability strategy spans what will be a major economic transition period both on a macro and micro scale, with new technologies and changing population profiles, investing in the right things is at the heart of this strategy and our ability to meet the increasing local service pressures will be influenced by the success in taking the opportunities.

Accessing external funding is a key enabler for increasing the amount of funding that can be invested in services. It can be both revenue and capital. The principal objective is to optimise the amount of external resources that support the shared ambition for the borough. The Government has made announcements in relation to post Brexit capital investment programmes including the Shared Prosperity Fund and Stronger Towns Fund.

Southend Council works across borders on strategic issues such as infrastructure, planning and growth, skills, housing and transport connectivity through the Association of South Essex Local Authorities (ASELA). This consists of Basildon, Brentwood, Castle Point, Essex County, Rochford and Thurrock Councils.

Medium Term Financial Strategy

Our Medium Term Financial Strategy (MTFS) gives a five year view of how the council will deliver the outcomes identified in the Southend 2050 ambition, in an affordable and sustainable way.

It also shows how the Council intends to match finances to the 2050 ambition, five year roadmap and desired outcomes.

It aids robust and methodical planning as it forecasts the Council's financial position, taking into account known pressures, major issues affecting the Council's finances, including international, national, sub regional and local economic influences as well as local priorities and factors.

The MTFS includes revenue and capital net expenditure for the General Fund and the Housing Revenue Account, reserves, financing of capital, treasury management and partnerships. This is to ensure that the Council sets a comprehensive but affordable budget.

The MTFS allows the council to take a longer term view to budget planning, ensuring that annual budgets are not set in isolation to future years and so that an outcome based approach can be taken, and is aligned with the Financial Sustainability Strategy.

Outcome Based Investment

Being an outcome focussed organisation will enable us to direct our investment, resource and business planning to activity that will achieve our outcomes, change the conversation to what to keep rather than what to cut. As a borough we have clearly articulated desired outcomes which describe the impact and the 'so what' of what we want to achieve.

Being commercial and business focussed

Being commercial is a mind-set about being more business-like, whilst retaining a strong public service ethos: delivering the best fit to ensure both a financial and social return. This means achieving both a financial and social return. Seeking to grow our income base and make efficiency savings in a variety of ways in order to be able to both commission universal delivery for all and also offer optional traded services for residents and businesses that are ready to buy.

The introduction of a commercial vision will identify and present opportunities for the Council, with due consideration of the risks. The key test around risk appetite – security of investment is paramount, yield/return a secondary key consideration. We need to consider commercial drivers that have a direct revenue benefit but also wider economic/social benefit felt locally. Examples include business rate generation, jobs (higher paid?), spending power, social value, holistic cost/investment understanding etc.

We are looking beyond the traditional sources of income generation for opportunities to boost revenue income through fees and charges and selling services where appropriate. Considering 'make or buy' service models to get hybrid best-fit mechanisms for delivery is a possibility. Importantly we will always look to secure social as well as financial returns where appropriate.

Knowing our Business

As an organisation we are more effective, understand key drivers and are investing to make a difference. This insight and challenge is driven by service and outcome leads, looking at how and where we spend our money currently, how this drives (or not) our outcomes; and what investment/disinvestment options this might give the Council as we move to longer term outcome based financial planning.

Smarter Commissioning & Maximise Social Value

The Council's social value policy will maximise the wider community benefits of the Council's procurement activity. It also sets the direction for engagement with businesses in Southend to increase the level of local spend, build in skills and employment opportunities and support small / medium enterprises and voluntary / community organisations.

Maximise wider community benefits (Social Value Policy) from the Council's procurement activity and proactively manage contracts. Increasing levels of local spend, build in skills and local employment clauses and opportunities, and support/enable SMEs and voluntary/community organisations.

By utilising the Community Infrastructure Levy, (a charge that can be levied by local authorities on new development in their areas), the Authority will be able to deliver the infrastructure needed to support development in the area. This levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and it has published the schedule on its website.

Most new development which creates net additional floor space of 100 square metres or more, or creates a new dwelling, is potentially liable for the levy. Some developments may be eligible for relief or exemption from the levy. This includes residential annexes and extensions, and houses and flats which are built by 'self-builders'. There are strict criteria that must be met, and procedures that must be followed, to obtain the relief or exemption.

Financial sustainability will be achieved by developing a stronger commercial approach and delivering public services at maximum efficiency.

For longer term planning we will need a clear understanding of service delivery objectives and priorities, requiring the right balance of skills and sufficient capacity within the organisation to focus on prioritising resources for the benefit of all stakeholders. This will enable us to direct our investment, resources and business planning to activity that will achieve the outcomes, changing the conversation to “what to keep” rather than “what to cut”.

As an organisation we are investing in transformative and innovative service re-design so that we can deliver our 2050 outcome pledges effectively and efficiently. We recognise that it is essential to work in collaboration with citizens, businesses and partners to create the right conditions for investment and expansion to ensure that our Ambition is achieved.

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**MEDIUM TERM
FINANCIAL STRATEGY
2020/21 to 2024/25**

January 2020

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1 Introduction

1.1 Background

The Medium Term Financial Strategy (MTFS) provides an integrated view of the whole of the Council's finances and outlook over the medium term, i.e. over the next five years. It shows how the Council intends to align its financial resources to the Southend 2050 ambition, five year roadmap and desired outcomes. However, it should be noted that the further the MTFS looks to the future, the more uncertainties there are.

The MTFS is the Council's key financial planning document which informs service and resource planning, and shows how spending is balanced with the available funding. It identifies budget gaps in the medium term and allows the Council time to address them in a considered and planned way.



1.2 Southend 2050 Ambition and Road Map

Southend 2050 is the Borough's ambition for the future. It was developed following extensive conversations with those that live, work, visit, do business and study in Southend-on-Sea. These conversations asked people what they thought Southend-on-Sea should be like in 2050 and what steps are needed now, and in the coming years, to help achieve this. The ambition is grounded in the values of Southenders. It is bold and challenging and will need all elements of our community to work together to make it a reality.

The Southend 2050 ambition includes twenty three outcomes which fit into five themes. The five year roadmap timeline identifies key projects that will help make the ambition a reality.

The ambition is an overarching view of the Council's future direction which aims to articulate the visible changes to the environment and the more fundamental effects on people's lives, essentially capturing how it could feel to live, work or visit Southend in the future. It complements the Essex 2050 vision, 'The Future of Essex' developed by Essex wide stakeholders and the emerging South Essex 'proposition', titled 'What sort of place are we making?' This is being developed by South Essex local authorities who are collectively looking to the future.

As it steps towards that ambition the Council will agree five year roadmaps. The road map outlines the Council's role in achieving the ambition and provides a high level guide for Councillors, staff, partners and others in aligning their capacity and resources to priorities. It builds on our existing achievements and outlines what the Council wants to

achieve in the coming five years. There will be five strategic delivery plans, one per theme reflecting the road map. These will be supported by delivery plans which reflect our ambition and focus on achieving the desired outcomes in five years' time. . All revenue and capital resources will be alllocated with the aim of contributing to the delivery of the ambition and the desired outcomes. This Medium Term Financial Strategy has been written accordingly.



1.3

Pride and Joy

By 2050 Southenders are fiercely proud of, and go out of their way, to champion what our city has to offer;

- There is a tangible sense of pride in the place and local people are actively, and knowledgeably, talking up Southend-on-Sea;
- The variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors;
- We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset;
- Our streets and public spaces are clean and inviting.



1.4

Safe and Well

By 2050 people in Southend-on-Sea feel safe in all aspects of their lives and are well enough to live fulfilling lives;

- People in all parts of the borough feel safe and secure at all times;
- Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives;
- We are well on our way to ensuring that everyone has a home that meets their needs;
- We are all effective at protecting and improving the quality of life for the most vulnerable in our community;
- We act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.



1.5

Active and Involved

By 2050 we have a thriving, active and involved community that feel invested in our city;

- Even more Southenders agree that people from different backgrounds are valued and get on well together;
- The benefits of community connection are evident as more people come together to help, support and spend time with each other;
- Public services are routinely designed - and sometimes delivered - with their users to best meet their needs;
- A range of initiatives help communities come together to enhance their neighbourhood and environment;
- More people have active lifestyles and there are significantly fewer people who do not engage in any physical activity.



1.6

Opportunity and Prosperity

By 2050 Southend-on-Sea is a successful city and we share our prosperity amongst all of our people;

- The Local Plan is setting an exciting planning framework for the Borough;
- We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities;
- Our children are school and life ready and our workforce is skilled and job ready;
- Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough;
- Southend is a place that is renowned for its creative industries, where new businesses thrive and where established employers and others invest for the long term.



1.7

Connected and Smart

By 2050 people can easily get in, out and around our borough and we have a world class digital infrastructure

- It is easier for residents, visitors and people who work here to get around the borough;
- People have a wide choice of transport options;
- We are leading the way in making public and private travel smart, clean and green;
- Southend is a leading digital city with world class infrastructure that enables the whole population.

1.8

Implementing the Ambition (Partnership/Community engagement)

The Council is continuing to develop shared ownership of the Southend 2023 outcomes with the aim that, where possible, measures to achieve the outcomes are co-designed and co-delivered with residents and partners. This means developing more innovative partnership arrangements with stakeholders and shifting our culture so that all council staff have an engaging role in their day to day job.

Asset Based Community Development (ABCD) methodology will support this approach with a view to promoting the sustainable development of our communities. As well as a step change in how the council works with residents and stakeholders, an asset based approach will revise the Council's approach to leadership, management of assets, funding streams, commissioning and workforce development.

This approach will include more shared posts, shared commissioning and the co-location of services and staff, along with the development of our locality approach. It will promote a more fluid and creative way for citizens to share their ideas on priorities and solutions, while still valuing the more formal consultative process.

1.9

Aims and Purpose of the Medium Term Financial Strategy

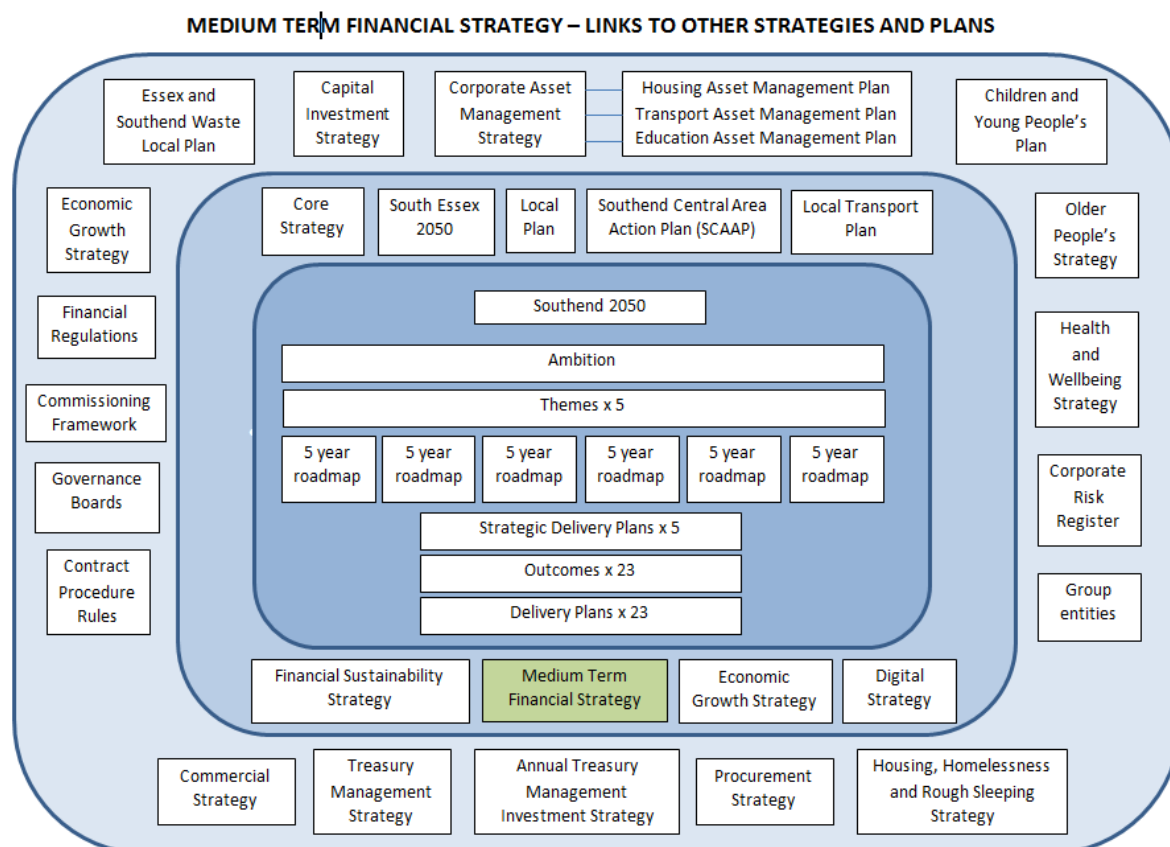
The MTFs takes into account national, regional and local priorities so that it is realistic and reduces the risk of a significant budget gap occurring late in the budget setting process. It includes revenue and capital net expenditure for the General Fund and the Housing Revenue Account, reserves, financing of capital, treasury management and partnerships. This is to ensure that the Council sets a comprehensive but affordable budget.

The parameters set by the five year planning period of the MTFS are used to inform the development of the budgets for the General Fund, Housing Revenue Account and the capital investment programme for the first year of that planning period. This is to make sure that, in setting the budget, decisions are not taken that could create problems in future years and that the financial consequences of these decisions are sustainable.

The MTFS assists with the setting of a robust budget by taking into account the likely effect of identified budget pressures and risks materialising. It allows the modelling of the effect of different planning assumptions on the budget gap which facilitates decision-making that is affordable and realistic.

1.10 Strategic context

The MTFS is closely aligned to a number of other strategies and plans which impact on the direction of the Council and must reflect and be informed by the drivers and priorities within them. The diagram below shows the links to these other strategies and plans.



1.11 Key Assumptions

The following assumptions have been made in producing the Medium Term Financial Plan for the Revenue Account.

Funding

Council Tax - the increase is assumed to be 1.99% for each year from 2020/21. In addition it is assumed that the social care precept will increase by 2% in 2020/21 but no increases have been included for future years.

Revenue Support Grant (RSG) –The MTFS uses the assumption that the 2020/21 RSG will be the 2019/20 figure plus CPI as indicated in the 2019/20 Government spending round. Although it is likely that all RSG will be subsumed into 75% business rates retention from 2021/22, in the absence of any other information, it has been presumed this will be on a revenue neutral basis. The amounts for 2021/22 to 2024/25 are extremely likely to change.

Business Rates – the figure for 2020/21 is a combination of the fixed top-up payment the Council receives from Government and a local assessment of the net amount likely to be raised locally that the Council will retain. This local element is assumed to grow by 2.0% from 2020/21. Although it is likely that business rates will move to 75% rates retention from 2021/22, in the absence of any other information, it has been presumed that this will be on a revenue neutral basis. The amounts for 2021/22 to 2024/25 are highly likely to change.

Support from Collection Fund – a surplus has been declared for 2020/21, based on the accumulated balance. This is a prudent view based on Council Tax increases and forecasts of housing completions, increases in discounts and exempt properties, and taking into account the effect of the current economic climate on collection rates. An assumption has been made as to amounts available for release in future years.

Inflation and Fees & Charges

Pay award – there is assumed to be an increase of 2.0% in 2020/21 and future years.

Inflation on goods and services – inflation is only being provided for major contractual commitments, utilities and business rates. Services are expected to absorb any other price inflation within existing resources.

Fees and charges – it is assumed that the income generated will largely increase by 2% each year but this assumption may need to be

reviewed depending on local economic circumstances.

Corporate Cost Pressures

Employers' pension contributions – the financial impact of the latest draft triennial actuarial valuation, as at 31 March 2020, has been built into the MTFS. Provision has been made for the potential financial impact in 2020/21.

Interest – the capital investment programme, although partly funded by grants and HRA funds, implies an increase in borrowing as set out in the Treasury Management and Capital Investment Strategies. The MTFS allows for the increased net costs of interest payments required to support this borrowing.

Costs of Transformation – with the on-going uncertainty over the future level of resources available, increasing local demand and expectations for priority services, it is inevitable that there will be upfront costs associated with service redesign and the introduction of new service delivery models. The MTFS has been updated to take account of this.

Revenue Investment and Reprioritisation - it is assumed that these changes will be achieved in full in each of the years in which they have been identified. With the unpredictability of demands on services and potential new legislation resulting from the change of Government, services could experience differing challenges. The MTFS has been developed based upon the most up to date information available and will be kept under regular review.

Better Care Fund (BCF) / improved Better Care Fund (iBCF)

The BCF is assumed to increase by 3.4% as indicated in the 2019/20 Government spending round. There is no certainty of the amounts available through the BCF arrangements with Southend CCG beyond 2020/21. The MTFS assumes the continuation of funding at the same level as announced in the 2019/20 financial settlement for iBCF for 2020/21 and future years.

Public Health Funding

The MTFS assumes an increase in the Public Health Grant in 2020/21 in line with the increase in the BCF as indicated in the 2019/20 Government spending round, matched by a consequential increase in spend. It is currently assumed that all Public Health Grant will be subsumed into 75% business rates retention from 2021/22. In the absence of any other information, it is also assumed that the same level of funding will be embedded into the new system. The MFTS will be updated as soon as any more information becomes available.

Housing Revenue Account

From 2012/13 the HRA became self-financing, and is no longer subject to the HRA subsidy regime.

Under self-financing, the HRA funds its expenditure, including its capital expenditure, from its income streams (primarily tenant's rents). Some grant funding may be available to support capital expenditure within the HRA going forward, but there is no assumption of external financing built into forward projections.

Dedicated Schools Grant

The Dedicated Schools Grant (DSG) for 2020/21 is now in its third year of total funding allocations set under a revised National Funding Formula (NFF). This includes proposed funding levels for individual school allocations. It remains, a government ambition that all individual school allocations will be fixed as per the NFF, however in 2020/21 it remains a local decision as to whether a Local Authority (in consultation with its School Forum/Education Board) choose to adopt.

With this in mind, our Local Authority and Education Board have made the strategic decision to align individual school allocations to the principle decisions of the NFF, so should the government impose a hard national funding formulae for individual school allocations in future years, our local schools are already aligned to this funding trajectory. The Department of Education (DfE) have reported that this is in line with the majority of other local authorities.

Our high needs block funding (also recognised as a national issue), has been under considerable financial pressure which had impacted the DSG reserves balances. Despite this, and as a result of robust recovery planning by the Local Authority and Education Board and further national funding awarded, our local high needs block funding and opening DSG reserves are now in a sustainable funding position moving forward into 2020/21.

In 2020/21, the DfE also announced (under NFF) a 20% funding (an equivalent £180,000 loss) reduction to the DSG Central Block element, which is funding that has historically been used to support Council expenditure, providing it serves the benefit of an educational purpose. To cover this funding loss in 2020/21, the Education Board helpfully agreed a transfer of £180,000 from the Schools Block allocation (for 1 year only), recognising for 2021/22 and future years a plan now needs to be determined as to how the Local Authority will manage this funding loss moving forward, and it could well be likely, although not yet formally announced, that a further 20% funding loss will be applied in 2021/22 until the full funding allocation of £900,000 has been removed from the DSG by 2024/25

1.12 Corporate Assurance and Risk Management

The Council has identified key risks that may impede the delivery of Southend 2050 ambition, and the desired outcomes for 2023.

The Council's governance framework supports the delivery of the ambition, to ensure that these are:

- Effective, but as simple as possible and easy to understand;
- Joined up and complementary, not conflicting with each other;
- Designed around customers;
- Making best use of technology and digitally enabled where this makes sense;
- Compliant with legislative requirements and ensuring that resources are used efficiently and effectively;
- Driving the desired outcomes.

The Council has identified core principles at the heart of its Risk Management Framework, these include that:

- Risk management is a positive value added activity, focused on achievement and successes, not a negative bureaucracy – by changing the perception and raising awareness officers will have increased confidence when managing operational risks;
- All staff are responsible for risk management and resources that support the framework are there to 'support and challenge' not 'own and do';
- Wider Member involvement in identifying and monitoring the most strategic risks the organisation faces would add value, whilst the roles of the Audit Committee, Scrutiny and Cabinet are critical to the robustness of the overall framework;
- The Southend 2050 ambition and outcomes need to drive the Council's budget and financial management arrangements, performance management of the outcome delivery plans and risk management framework;
- By getting the conversations happening with the right people, at the right time and in the right place, the required thinking can be applied and the processes to capture, document and report risk will be simple and become business as usual;
- The framework ensures joined up Strategic, Operational, Programme and Project Risk Management whilst recognising the differences between them.

The Council's Corporate Risk Register identifies the key risks as:

- Risk that failure to address the financial challenge by effectively managing the growing demand for services and enhancing local income streams will threaten the medium to long term financial sustainability of the Council, leading to a significant adverse impact on Council services;
- Risk that the Council will not have the appropriate staffing resources, with the right skills working in the right places within collaborative teams, resulting, in part, from a failure to effectively embed the arrangements with the new recruitment partner, leading to a lack of workforce capacity resulting in a failure to achieve the Council's ambitions;
- Risk that the impact of, or a failure to take advantage of, the Government's agenda and the lead up to Brexit, may hamper the ability of the Council to achieve key priorities;
- Risk that a failure to implement plans to address rising homelessness and failure to implement the Housing, Homelessness and Rough Sleeping strategy will lead to further street and other homelessness, increased use of temporary accommodation & an inability to meet rising housing demand over the next 20 years;
- Risk that failure to maintain levels of access to regeneration funding opportunities will significantly restrict future infrastructure improvements in the borough;
- Risk that the implementation of Sustainability and Transformation Partnership (STP) proposals and implementation of the Localities Model does not result in effective health and social care outcomes for residents resulting in increased health inequalities, worsening health outcomes and significant cost increases;
- Risk that a failure to ensure the Council has a coherent and comprehensive approach to data protection, including its cyber security arrangements, will result in a data breach or cyber-attack, leading to significant financial and reputational damage to the Council;
- Risk that the actions and expected outcomes from the Children's Services Improvement Plan are not achieved within expected timescales, resulting in a failure to deliver the outcomes anticipated by the Council's roadmap for the children in need of support;
- Risk of contractor failing to meet contractual requirements to effectively manage waste arrangements results in a loss of service quality and additional financial liability for the Council;
- Risk that surface water flooding, breach of sea defences and/or seafront cliff movement, will result in damage to property and infrastructure as well as significant disruption;

- Risk that failure of partners to progress major infrastructure developments (e.g. Seaways, Airport Business Park and Queensway) will result in significant financial and reputational damage to the Council;
- Risk that the failure to meet deadlines and make sufficient progress in producing a Local Plan will lead to Secretary of State intervention, resulting in reputational damage to the Council and the potential imposition of unwanted planning policies;
- Risk that failing to implement changes needed to reduce the Borough's carbon footprint will cause an inadequate contribution to the reduction in carbon emissions required. This will result in significant adverse impact on the Borough, and if the climate adaptation measures being implemented are also inadequate, there will be further implications for the Council in needing to respond to climate events in the Borough.

2 Horizon Scanning

2.1 Demographics

For Southend Borough residents/service users:

- 12% of Southend's males and 28% females are economically inactive, with average weekly earnings for males £546 and £312 for females;
- 39% of Southend's residents live in areas considered to be in the most deprived 30% in the country, this is 9% higher than the English average;
- 11 of Southend's 17 wards have a higher proportion of children living in poverty than the England average; six of these are amongst the worse 20% of wards in the country;
- Kursaal, the most deprived ward, ranks 136th most deprived area in England (of 32,844 areas);
- Life expectancy is 11.1 years lower for men and 9.7 years lower for women in the most deprived areas of Southend compared to the least deprived areas;
- 0.7% of West Leigh residents indicated they were in very bad health, compared to 1.6% in Kursaal and 1.3% for Southend as a whole;
- Kursaal ward had a borough election turnout of 25%, compared to 42.5% in West Leigh (average overall turnout 31.74%), highlighting lower civic participation in deprived areas;
- Residents living in the East Central locality are significantly less satisfied with their local area (66%) (89% in West and 75% for the borough), feel significantly less safe and cite crime/ASB as

something they dislike more, than residents elsewhere in the borough;

- Only a minority of residents (23%) agree that they can influence decisions that affect their local area. More than twice this number (59%) disagree.

2.2 National, Regional and Local Policy Drivers

National Factors

National factors which are likely to impact on the Council's financial position:

- The impact of the world economic climate on the national economy. Levels of economic growth are impacted by the prospect of higher trade barriers and the slowdown of growth in key economies such as the Eurozone and China;
- The impact of uncertainties related to Brexit, with investment decisions delayed or mitigated pending future trade arrangements.
- The level of uncertainty in Government funding for future years, with the overall level of government resources for councils dependent on a range of political outcomes, which are very difficult to predict. While the 'end of austerity' has been proclaimed by many politicians, according to the Institute of Fiscal Studies the government forecast (as of November 2019) that councils' core spending could increase by 4.3% in real terms in 2020-21 compared to 2019-20, would still leave spend per person 20% lower in 2020-21 than in 2009-10.
- The move from councils retaining 50% to 75% of business rates, from which the Council could potentially gain or lose, depending on final details on how the expansion will be administered.
- With the vast majority of councils funding set to come from council tax and business rates, there may be a need for large increases in council tax to keep pace with the level of demand on services, notably from children's and adult services.
- Unmanaged service pressures and increases in demand. Forecasts of future demand for services may be under-estimated
- Levels of future pay awards: Enhanced funding for local authorities could be subsumed by pay awards after a long period of minimal increases.
- General inflation assumptions: Driven by monetary policy and cost factors, such as energy prices, supplier prices with increased demands on councils to deliver government priorities, wages, new trade arrangements.

Regional position

In Summer 2017 the Leaders and Chief Executives of South Essex – Basildon, Brentwood, Castle Point, Rochford, Southend-on-Sea, Thurrock and Essex County Council – embarked on a process to develop a long-term growth ambition that would underpin strategic spatial, infrastructure and economic priorities across the sub-region. The 'South Essex 2050 Ambition' is now being taken forward through a number of workstreams to develop:

- the spatial strategy, through a Joint Strategic Plan;
- a Local Industrial Strategy;
- a strategic Infrastructure Framework;
- a Place Narrative.

The context for the SE2050 Ambition is to ensure that the local authorities remain in control of South Essex as a place, putting them in a strong position to shape and influence wider plans and strategies, for example, the Thames Estuary 2050 Commission and the London Plan, and Government and other investment priorities.

The local authorities recognised that long term healthy and sustainable growth in South Essex could only be delivered through a strategic solution and that would require some politically and technically challenging decisions as the Ambition is implemented. In January 2018, therefore, the local authorities formed the Association of South Essex Local Authorities (ASELA) to ensure the implementation of the Ambition has strong leadership and is managed on a truly collaborative basis.

The spatial strategy to implement the SE2050 Ambition is being implemented through a new planning 'portfolio' with a Joint Strategic Plan (JSP) currently being prepared to provide the overarching framework. Local plans and other place-shaping tools will be used to deliver this on the ground, using the range of planning tools available in a more flexible and responsive way.

Work on the JSP is underway with a Project Delivery Board in place, reporting through a Member structure to ASELA, and a timetable and scope agreed. A Statement of Common Ground was published in June and has been formally agreed by all partners, alongside an update to each authority's Local development Scheme.

The current timetable is ambitious, with the full process through to adoption expected to take 2-3 years at the most. The local policies and place-shaping plans will be developed alongside the JSP but will have to fully reflect its overarching strategy. Timing of the planning portfolio will therefore be carefully managed through the Statement of Common

Ground and under the steerage of ASELA. (The Association of South Essex Local Authorities)

Local drivers

2050 priorities and political administration priorities to support the ambition, roadmap and desired outcomes, while placing greater emphasis or prioritisation on particular areas. Among these are:

- new housing opportunities, including new social and key worker housing;
- measures to improve the private rented sector;
- prioritisation of the green agenda;
- a more integrated approach to transport, including reviewing the current approach to parking;
- enhancing local people's skills and making the council a living wage employer.

Other local drivers include:

- Increasing demand for services with a population projected to increase from 182,000 to 192,200 by 2025, an increasingly aging population due to grow from 19% to 23% by 2030 and a higher birth rate;
- The need for an anticipated 22,000 homes by 2030 and the increasing demand for new school places.
- Commitment to meeting 2050 priorities, including: tackling climate change, community safety, rough sleeping, housing and skills pipelines, public and integrated transport, health inequalities, key regeneration projects (Seaways, Airport Business Park), digital borough, tackling inequalities – notably on education, health and income;
- New priorities of incoming Council administrations, with local elections due in 2020, 2022, 2023 and 2024;
- Non achievement of anticipated efficiencies from new ways of working, service re-organisations or poor budget management in places;
- The impact of becoming a National Living Wage employer and seeking to achieve real living wage accreditation;
- The need to achieve more income from fees and charges is not always attainable, with anticipated levels of income subject to a range of factors that vary between services.

2.3 Physical-Environmental Factors

The council owns over 6,000 socially rented properties, which are managed by our arm's-length management organisation, South Essex Homes. Over 1,500 local households are on our housing waiting list. The council's housing, homelessness and rough sleeping strategy (2018-2028) sets out a long-term plan to prioritise the supply of safe, locally affordable homes, support people to live independently in their own homes and avoid homelessness and ensure any instance of homelessness is brief and doesn't re-occur.

This plan includes meeting the government's target of delivering 11,140 new homes between 2016 and 2026. With the current average annual delivery of all homes (including affordable) standing at 340 homes a year, this is clearly a challenge.

To ensure we are able to prevent increased levels of homelessness, housing induced poverty and poor or unsuitable housing conditions, we are working with housing associations to ensure a focus on good quality affordable housing and also developing our own social housing. This has already seen the delivery of thirty-three new homes, with a number more in the pipeline. This is complemented by the council's acquisitions programme, with fifteen homes bought from the private market.

3 The Financial Challenge

3.1 Forecast Financial Position 2020/21 to 2024/25

The Council is dealing with many of the same financial challenges as most other upper tier Authorities across the country. Most Local Authorities are experiencing increasing demand in key services which is placing a strain on available resources. A recent survey has identified that 90% of Councils are experiencing increasing demand and are also overspending in meeting the needs of children and families.

Overall the Council remains in a strong and resilient financial position, despite the potential impact of the current range of demand and spending pressures.

3.2 Financial Sustainability

The MTFS is aligned with the council's financial sustainability strategy (2020-2030) which sets out our aim to achieve long-term financial sustainability.

3.3 Pressures

There are a number of financial pressures faced by the council and these are reported as part of the budget monitoring reports on a regular basis. A number of these are demand led pressures which are due to a wider national position and it is important that these pressures are identified and mitigated to ensure sound financial resilience in changing times.

3.4 New Investments

In order to focus our available resources and align them to the Southend 2050 vision it is important to have a longer term view of the financial requirements necessary to deliver on the 5 year roadmap and the 2050 outcomes. Both revenue and capital investments are assessed against these outcomes to ensure that all resources are focussed in the correct areas to achieve the greatest positive impact.

3.5 Income Generation

The Council needs to ensure that although it is responsible for delivering public services, there must be a commercial mindset in areas where the services are in competition with other businesses. Therefore it is increasingly important at a time when central grant funds are reducing that income is generated where possible and within reason. Service areas will be expected to take ownership for the fees and charges within their service areas and these shall be benchmarked to provide assurance that the charges are appropriate, proportionate and are applied correctly.

3.6 Council Tax

There is a 3.99% increase in Council Tax for 2020/21 (including 2% for adult social care). For planning purposes an increase of 1.99% has been assumed for future years. Changes in the number of households affect the tax base for Council Tax purposes, as does the number of Council Tax Support claimants. The Council Tax base for 2020/21 is 58,680.94 (equivalent Band D properties).

The Medium Term Forecast assumes an increase in the Council Tax base of 0.5% in 20/21 with further increases of 1% per year over the following 4 year period.

The Council plans to release accumulated Council Tax surpluses over the five year period.

3.7 Housing Revenue Account

The Housing Revenue Account is a ring-fenced account which stands apart from the General Fund, although there are charges between the two funds to reflect Service Level Agreements and corporate support services.

Under the provisions of the Localism Act 2011, the Housing Revenue Account (HRA) became “self-financing” on 1 April 2012: That is in return for the payment of a lump sum, funded by borrowing, to HM Treasury; the HRA no longer has to pay negative subsidy each year to the Government. The HRA is the statutory “landlord” account for the authority. The Council is obliged by law to set rents and other charges at a level to avoid a deficit on the HRA balance. Changes to regulations over recent years, notably the introduction of rent restructuring in 2002, mean that the dwelling rent income streams had become largely fixed. The approach in recent years has been to work within the guidelines set by the government. Despite the introduction of “self-financing” for the HRA no longer requiring strict adherence to rent restructuring, the same approach has been continued given that the settlement underpinning self-financing assumed full convergence would be achieved.

The HRA estimates have been prepared alongside South Essex Homes, and incorporate their management fee bid.

Subsequent to the introduction of self-financing, the Government introduced legislation that fundamentally changed the economics of the HRA. The Welfare Reform and Work Act 2016 forced the Council to reduce rents by 1% each year from 2016/17 to 2019/20. In October 2017, the government announced its intention to set a long term rent deal for both Local authorities and housing associations. This allows rent increases of up to CPI at September each year plus 1 percentage point from 2020/21.

The Medium Term Financial Strategy demonstrates that the HRA is currently financially robust.

The Council has concluded a procurement exercise to choose a partner organisation with which to regenerate the Queensway estate. Swan Housing Association has been approved as the preferred bidder. The regeneration ambition will see the existing 441 predominately council owned homes redeveloped into a vibrant, mixed tenure community with enhanced public realm and facilities. This will mean that over time the estate will no longer form part of the HRA. The timing of the regeneration and asset transfer to the proposed partnership is not yet confirmed.

In addition South Essex Homes Ltd has been commissioned to produce an up to date stock condition survey, which will enable a fuller understanding of the investment necessary to maintain the existing housing stock to decent homes standards.

The HRA MTFS does not currently take either of these developments into account in a detailed manner, although some provision is made. It will be necessary to update the HRA MTFS once more detail is available.

3.8 Asset Management Plan

The Corporate Asset Management Strategy (CAMS) sets out the way in which the Council makes decisions on asset related matters and identifies procedures and governance arrangements to monitor and improve the use of its assets to increase efficiency and maximise returns. The plan is reviewed annually alongside the MTFS and updated as appropriate.

The Plan divides all the Council's assets into five investment blocks. These are:

- Operational assets – The Council's operational buildings;
- Non-operational assets – The Council's investment portfolio;
- Regeneration assets – Assets acquired or held to support regeneration;
- Surplus Assets – Assets which have no sound case for retention;
- Infrastructure required to deliver the Plan, notably ICT.

Some assets sit within specific policy and legislative frameworks, or are important by virtue of specific features of Southend. These are housing, highways and transport assets, schools and children centres, car parks, listed buildings and designated areas, and the sea defences and cliffs.

The CAMS brings asset-related decision making (on acquisition and disposal) together with the procedures guiding investment through the Capital Investment Programme.

The CAMS was comprehensively reviewed and updated for the period 2015 – 2025 and was approved at the Cabinet meeting in September 2015 to provide high-level strategic focus to enable flexibility over the plan period and to reinforce the current Vision and Strategic Aims of the CAMS that all the Council's assets are corporately held and managed strategically to:

- Support efficient and effective service delivery;
- Support regeneration and development and enable the Council to achieve its objectives;
- Rationalise, develop and improve the portfolio to underpin the capital investment programme and revenue budget through development, income generation, property acquisition and disposals;
- Actively support co-location and integration with other public-sector partners.

The CAMS also includes a property investment strategy with its own set of governance arrangements to enable investment opportunity decisions

to be taken quickly against a pre-agreed set of investment performance criteria such as and including lot size, yield, property type, lease terms and covenant strength. The first acquisition under this was made during 2017/18.

The CAMS also supports the Council's high priority major projects such as Better Queensway, Airport Business Park, Care and Learning Disability re-provision.

Some further updates will be made during 2020/21 as follows:

- Corporate structure and governance changes to reflect the current structure of the Council;
- Updates to reflect the latest 2050 position and direction of travel;
- Methodology for the prioritisation and decision making process around Council assets (particularly the development pipeline) with associated governance;
- To update the schedule of charges relating to property transactions;
- To monitor the Government's position on Commercial Property Investment;
- To update the Property Metrics section;
- To ensure that the framework is in place to move forward with benefits derived from WorkLife and improved agility to improve collaboration, share costs and generate income;
- To clearly and more appropriately distribute responsibility for particular assets (e.g. footpaths, non-adopted roads, water-courses) to ensure these are managed efficiently in the most appropriate section of the business.

3.9 Capital Investment Programme

Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset which is needed to provide services such as housing, schools and highways. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year, e.g. land, buildings, roads, vehicles. This is in contrast to revenue expenditure which is spending on the day to day running costs of services such as employee costs and supplies and services. Capital grants, borrowing and capital receipts can only be spent on capital items and cannot be used to support the revenue budget. However, it should be noted that revenue funding can be used to support capital expenditure.

The Capital Investment Strategy covers all capital expenditure and capital investment decisions, not only as an individual local authority but also those entered into under group arrangements. It sets out the long term context in which decisions are made with reference to the life of the projects/assets.

It is a key document and forms part of the authority's integrated revenue, capital and balance sheet planning. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It includes an overview of the governance processes for approval and monitoring of capital expenditure and how investment decisions take account of stewardship, value for money, prudence, sustainability and affordability. It also provides an overview of how associated risk is managed and the implications for future financial sustainability.

The capital investment programme is prepared and developed in accordance with the Capital Investment Strategy. In turn, the Capital Investment Strategy has been written in the context of Southend 2050 and the five themes and all capital investment is therefore driven by the aim of contributing to the delivery of the ambition and the desired outcomes.

3.10 Treasury Management Strategy

The Treasury Management Strategy is an area of activity which covers the management of the council's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks.

In compliance with the CIPFA Treasury Management Code of Practice the Council's treasury management strategy comprises:

- the Treasury Management Policy Statement;
- the Treasury Management Strategy;
- the Annual Treasury Management Investment Strategy.

The purpose of the Treasury Management Policy Statement is to set out the scope of the Treasury Management function, the policy on borrowing, debt restructure, investments, delegation and management of risk.

The budget includes provision for the financing costs of the Council's Capital Investment Programme, including interest on external borrowings. Offsetting this, the Council will earn interest by temporarily investing its surplus cash, which includes unapplied and set-aside capital receipts. These budgets depend on many factors, not least the Council's level of revenue and capital budgets, use of reserves, methods

of funding the budget requirement, interest rates, cash flow and the Council's view of risk. The purpose of the Treasury Management Strategy is to set out how the budgeted financing costs can be achieved. It covers the prospects for interest rates and the strategy on borrowing and debt restructuring.

The purpose of the Annual Treasury Management Investment Strategy is to set out the investment objectives and the policies on the use of external fund managers, on the investment of in-house managed funds and on the use of approved counterparties.

The Audit Committee have responsibility for the scrutiny of the Treasury Management Strategy. The policy is approved by Council in advance of the year to which it relates. It is then monitored regularly and updated, as appropriate, to reflect changing circumstances and guidance with updates approved by Council as and when required.

3.11 Minimum Revenue Provision Policy

The Minimum Revenue Provision (MRP) is an amount to be set aside for the repayment of debt. Each Local Authority has a general duty to charge an amount of MRP to revenue which it considers to be prudent, with responsibility being placed upon the full Council to approve an annual MRP policy statement.

3.12 Prudential Indicators

The Prudential Code is the key element in the system of capital finance that was introduced from 1 April 2004 as set out in the Local Government Act 2003.

Individual authorities are responsible for deciding the level of their affordable borrowing, having regard to the CIPFA code, (which has legislative backing). Prudential limits apply to all borrowing, qualifying credit arrangements (e.g. some forms of lease) and other long term liabilities. The system is designed to encourage authorities that need, and can afford, to borrow for capital investment to do so.

Under the Local Government Act 2003 each authority can determine how much it can borrow within prudential limits (unsupported borrowing). The Government does have powers to limit the aggregate for authorities for national economic reasons, or for an individual authority. The majority of capital expenditure will continue to be directly supported by Government through capital grant or by Council unsupported borrowing.

The CIPFA Prudential Code for Capital Finance in Local Authorities has been developed to support Local Authorities in taking capital investment decisions and to ensure that these decisions are supported by a framework which ensures prudence, affordability and sustainability.

Another objective of the Code is that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation.

To demonstrate compliance with these objectives each authority is required to produce a set of prudential indicators. These indicators are designed to support and record local decision making and are not for comparison with other authorities. The setting and revising of these indicators must be approved by Cabinet and Council.

In setting or revising its prudential indicators, the local authority is required to have regard to the following matters:

- service objectives (e.g. strategic planning);
- stewardship of assets (e.g. asset management planning);
- value for money (e.g. options appraisal);
- prudence and sustainability (e.g. risks, whole life costing and implications for external debt);
- affordability (e.g. implications for long-term resources including the council tax);
- practicality (e.g. achievability of the forward plan).

3.13 General Fund Balance

In relation to the adequacy of reserves, the Council's Section 151 Officer recommends the following Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment. The Reserves Strategy will need to be reviewed annually and updated in light of any changes to the assumptions within it.

- An absolute minimum level of General Fund reserves of £8M that is maintained throughout the period between 2020/21 to 2024/25
- An optimal level of reserves of £10M over the period to cover the absolute minimum level of reserves, in-year risks, cash flow needs and unforeseen circumstances
- A maximum recommended level of reserves to £12M over the period to provide additional resilience to implement the Medium Term Financial Strategy

3.14 Reserves Strategy

General Fund Reserve

In relation to the adequacy of reserves, the Council's Section 151 Officer (Director of Finance and Resources) recommends the following Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment. The Reserves Strategy will need to be reviewed annually and adjusted in the light of the prevailing circumstances.

- a) An absolute minimum level of General Fund reserves of £8 million that is maintained throughout the period between 2020/21 to 2024/25;
- b) An optimal level of reserves of £10 million over the period 2020/21 to 2024/25 to cover the absolute minimum level of reserves, in-year risks, cash flow needs and unforeseen circumstances;
- c) A maximum recommended level of reserves of £12 million for the period 2020/21 to 2024/25 to provide additional resilience to implement the Medium Term Financial Strategy;
- d) A Reserves Strategy to remain within the recommended range for reserves over the relevant period of 2020/21 to 2024/25.

These recommendations were conditional upon not considering further calls on reserves other than for those risks that have been identified, those that could not have been reasonably foreseen and that cannot be dealt with through management or policy actions.

Housing Revenue Account

In relation to the Housing Revenue Account (HRA) in 2020/21 and the medium to long term:

- a) Given the current status of housing management provision the recommendation is that reserves be maintained at £3.0m.

This recommendation is based on and conditional upon

- a) A 2020/21 budget has been agreed with South Essex Homes Ltd. to maintain a balanced HRA, together with the HRA's own Medium Term Financial Strategy for the period 2020/21 to 2024/25.
- b) Forward projections for the HRA beyond 2020/21 are being remodelled to take into account the impact of the Better Queensway regeneration and the updated stock condition survey.

Earmarked Reserves

A table of the earmarked reserves and their balances at 31 March 2019 to 31 March 2025 is shown in Annex 2. The balances at 31 March 2020 to 2025 are indicative, based on the assumptions in this report, and do not represent the probable figures that will be disclosed in future years Statement of Accounts.

3.15 Outcomes Based Planning and Budgeting

The Council will target its resources to deliver the Southend 2050 programme and roadmap phases. Being an outcome focussed organisation will enable us to direct our investment, resource and business planning to activity that will achieve our outcomes and change the conversation to what to keep rather than what to cut.

3.16 Addressing the Budget Gap

The forecast budget gap in the Medium Term Financial Forecast over the next 5 years is summarised in the table below.

Year	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Budget gap	£0M	£7.9M	£4.7M	£5.7M	£5.0M	£23.3M

In order to address and close the budget gap over this time period we must continue our drive towards full financial sustainability for the future. As we work collaboratively with our partners we may need to increase our focus on the delivery or commissioning of services in a targeted way to ensure that those in most need and who will receive the greatest benefit are the recipients of our services.

Longer term and focussed outcome based budgeting will be key to ensuring that all resources at the council's disposal are targeted to have the greatest impact in delivering all the Southend 2050 outcomes.

3.17 Budget Monitoring and Forecasting

The corporate budget performance report is a key tool in scrutinising the Council's overall financial performance. It is designed to provide an overview to all relevant stakeholders. It is essential that the Authority actively monitors its budgets throughout the year in order to ensure that the overall financial position is robust and sustainable and that strategic objectives are being achieved.

These reports will be prepared for Cabinet at regular intervals throughout the financial year and will provide an opportunity to highlight major variations from the approved spending plans enabling corrective action to be taken where necessary.

4 Conclusion

The Council has seen a sustained reduction in grant funding over the past few years whilst experiencing increasing demand for the services that it provides. The Fair Funding Review and a move towards 75% Business Rates retention may well present additional future challenges but with the Council's 2050 Ambition, the move to outcome focussed budgets and its robust financial resilience as evidenced by the CIPFA Financial Resilience Index, Southend-on-Sea Borough Council is in a strong position to shape and redesign services both locally and regionally.

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SOUTHEND-on-SEA BOROUGH COUNCIL

Annex 1 to Appendix 2

**Medium Term Financial Forecast
2020/21 to 2024/25**

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Base Budget					
From prior year (which assumes the gap is closed from the prior year)	125,647	130,428	141,988	145,180	148,964
LESS					
Appropriations to/from Reserves in prior year	(1,538)	5,902	(23)	(138)	1,484
Revenue Contributions to Capital	(5,376)	(363)	(10)	(117)	0
Less other one-off expenditure/savings	1,604	(4,545)	60	1,215	0
Adjusted Base Budget	120,337	131,422	142,015	146,140	150,448
Appropriations to / (from) reserves	(5,902)	23	138	(1,484)	(1,483)
Revenue Contributions to Capital (funded from Earmarked Reserves)	363	10	117	0	0
Other one-off/time limited expenditure bids	4,545	(60)	(1,215)	0	0
Inflation and other increases	4,271	3,750	3,750	3,750	3,750
Corporate Cost Pressures	5,468	2,104	1,313	2,002	1,395
Directorate Savings/Pressures					
On-going Corporate and Directorate investment allowance	6,160	3,050	3,050	3,850	3,050
Budget reductions identified and agreed	(2,075)	0	0	0	0
Better Care Fund					
NHS funding to Support Social Care and benefit Health	(13,634)	(12,603)	(12,603)	(12,603)	(12,603)
Expenditure relating to the NHS funding	13,634	12,603	12,603	12,603	12,603
Public Health					
Projected Grant Income	(9,525)	ringfence removed	0	0	0
Projected Expenditure	9,525	0	0	0	0
Housing Revenue Account					
Projected Expenditure	31,851	27,439	24,658	25,036	25,423
Projected Income	(28,522)	(29,440)	(30,397)	(31,311)	(32,211)
Contributions to/(from) HRA Earmarked Reserves	(3,329)	2,001	5,739	6,275	6,788
Dedicated Schools Grant					
Projected Grant Income	(50,967)	(50,967)	(50,967)	(50,967)	(50,967)
Projected Expenditure	50,967	50,967	50,967	50,967	50,967
Pupil Premium received from Government (indicative)	(1,892)	(1,892)	(1,892)	(1,892)	(1,892)
Pupil Premium expenditure	1,892	1,892	1,892	1,892	1,892
Projected General Fund Net Expenditure	133,167	140,299	149,168	154,258	157,160
Changes in General Grants	(2,739)	9,555	712	409	0
Budget Requirement	130,428	149,854	149,880	154,667	157,160
Funded by:					
Council tax increase (1.99% in 20/21, 1.99% onwards) (taxbase +0.5% 2021/22 and +1.0% p.a future years)	(76,966)	(79,427)	(81,972)	(84,587)	(87,285)
Social Care Precept (2.0% in 20/21, 0% onwards)	(7,381)	(7,455)	(7,530)	(7,605)	(7,681)
Business Rates	(38,032)	(53,606)	(54,678)	(55,772)	(56,192)
Revenue Support Grant	(6,049)	0	0	0	0
Collection Fund Surplus	(2,000)	(1,500)	(1,000)	(1,000)	(1,000)
Total funding	(130,428)	(141,988)	(145,180)	(148,964)	(152,158)
Funding Gap	0	7,866	4,700	5,703	5,002
Funding Gap (Cumulative)	0	7,866	12,566	18,269	23,271
Core Precept	76,966	79,427	81,972	84,587	87,285
Social Care Precept	7,381	7,455	7,530	7,605	7,681
Band D Council Tax					
Council Tax for a Band D Property	1,437.39	1,465.93	1,495.17	1,524.87	1,555.20
% Increase in Council Tax	3.99%	1.99%	1.99%	1.99%	1.99%
Council Tax Base					
Council Tax Base	58,681	59,268	59,860	60,459	61,064
Increase in Taxbase on prior year	0.44%	1.00%	1.00%	1.00%	1.00%

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Use of Earmarked Reserves

Earmarked Reserves		Probable Outturn 2019/20				Budget 2020/21				Forecast 2021/22				Forecast 2022/23				Forecast 2023/24				Forecast 2024/25			
		To Reserves £000	From Reserves £000	Transfers £000		To Reserves £000	From Reserves £000	Transfers £000		To Reserves £000	From Reserves £000	Transfers £000		To Reserves £000	From Reserves £000	Transfers £000		To Reserves £000	From Reserves £000	Transfers £000					
Capital Reserves																									
Capital Reserve	7,957		(5,574)		2,383		(363)	1,500	3,520		(10)		3,510		(117)		3,393				3,393			3,393	
New Homes Bonus Reserve	4,130	2,031	(835)		5,326	1,370	(560)		6,136	1,340	(280)		7,196	628			7,824				7,824			7,824	
Business World ERP Reserve	316				316			385	701				701				701				701			701	
Queensway Reserve	235				235			(235)	-				-				-				-			-	
Corporate Reserves																									
Business Transformation Reserve	5,133		(3,014)		2,119		(815)	3,750	5,054		(685)		4,369		(285)		4,084				4,084			4,084	
Outcome Delivery Reserve	0				-		(250)	750	500		(250)		250		(250)		-				-			-	
Business Rates Retention reserve	4,283				4,283			(2,283)	2,000				2,000				2,000				2,000			2,000	
Interest Equalisation Reserve	4,211		(500)		3,711		(945)		2,766				2,766				2,766				2,766			2,766	
MRP Equalisation Reserve	12,625	3,665			16,290		(918)		15,372	(1,364)			14,008		(1,493)		12,515	(1,448)			11,067	(1,448)		9,619	
Pensions Reserve	5,831	3,733			9,564	2,000	(4,350)	(5,214)	2,000	2,000			4,000	2,000			6,000				6,000			6,000	
Rents Equalisation	850				850				850				850				850				850			850	
Insurance																									
Insurance Reserve	6,800				6,800				6,800				6,800				6,800				6,800			6,800	
Service Reserves																									
Building Control Reserve	116				116			(116)	-				-				-				-			-	
Cemeteries Reserve	39				39			(39)	-				-				-				-			-	
Elections Reserve	304		(36)		268		(36)		232	107			339		(35)		304		(36)		268		(35)	233	
Local Land Charges Reserve	64				64				64				64				64				64			64	
Schools Improvement	225		(200)		25		(200)	575	400		(200)		200		(200)		-				-			-	
Adult Social Care Reserve	2,428				2,428			(928)	1,500				1,500				1,500				1,500			1,500	
Childrens Social Care Reserve	2,000		(2,000)		-			3,000	3,000				3,000				3,000				3,000			3,000	
Social Fund	817		(350)		467		(350)		117		(117)		-				-				-			-	
Specific Corporate Projects	730				730			(730)	-				-				-				-			-	
Supporting People Reserve	552		(100)		452				452				452				452				452			452	
Voluntary Organisations Reserve	125				125			(125)	-				-				-				-			-	
Waste Management Reserve	4,923		(1)		4,922				4,922				4,922				4,922				4,922			4,922	
Welfare Reform Reserve	1,590		(300)		1,290			(290)	1,000				1,000				1,000				1,000			1,000	
Street Lighting Reserve	105				105				105				105				105				105			105	
Grants																									
Dedicated Schools Grant	215	800			1,015				1,015				1,015				1,015				1,015			1,015	
Area Child Protection	26				26				26				26				26				26			26	
General Grants Carried Forward	2,485		(753)		1,732				1,732				1,732				1,732				1,732			1,732	
Public Health Grant - Public Health	1,368		(133)		1,235		(150)		1,085	(150)			935				935				935			935	
Public Health Grant - DAAT	130				130		(35)		95				95				95				95			95	
Monies held in Trust																									
Comp- 3 Children When Reach 18	3				3				3				3				3				3			3	
Emily Briggs Trust	17				17				17				17				17				17			17	
S. Thorpe Smith Bequest	33				33				33				33				33				33			33	
Total General Fund Ear Marked Reserves	70,666	10,229	(13,796)	-	67,099	3,370	(8,972)	-	61,497	3,447	(3,056)	-	61,888	2,628	(2,380)	-	62,136	-	(1,484)	-	60,652	-	(1,483)	-	59,169
HRA Capital Investment Reserve	25,106	3,552	(5,508)		23,150	5,319	(8,708)		19,761	5,837	(5,405)	(2,387)	17,806	6,378	(1,250)	(1,313)	21,621	6,831	(200)	(1,036)	27,216	7,266	(200)	(875)	33,407
HRA Major Repairs Reserve	6,763	6,706	(8,408)		5,061	5,365	(6,620)		3,806	5,633	(6,600)	2,387	5,226	5,915	(6,560)	1,313	5,894	6,210	(6,560)	1,036	6,580	6,521	(6,600)	875	7,376
HRA Repairs Contract Pension Reserve	520	60			580	60			640	60			700	60			760	60			820	60			880
Total HRA Reserves	32,389	10,318	(13,916)	-	28,791	10,744	(15,328)	-	24,207	11,530	(12,005)	-	23,732	12,353	(7,810)	-	28,275	13,101	(6,760)	-	34,616	13,847	(6,800)	-	41,663
TOTAL EARMARKED RESERVES	103,055	20,547	(27,712)	-	95,890	14,114	(24,300)	-	85,704	14,977	(15,061)	-	85,620	14,981	(10,190)	-	90,411	13,101	(8,244)	-	95,268	13,847	(8,283)	-	100,832

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COUNCIL BUDGET 2020/21 TO 2024/25

DRAFT SECTION 151 OFFICER'S STATEMENT ON ADEQUACY OF BALANCES AND THE ROBUSTNESS OF THE BUDGET

1. Introduction

1.1. The Chief Financial Officer is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

- a) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major precepting authority) or section 85 of the Greater London Authority Act 1999 (c.29) (Great London Authority) applies is making calculations in accordance with that section, the Chief Finance Officer of the authority must report to it on the following matters:
 - The robustness of the estimates made for the purposes of the calculations, and
 - The adequacy of the proposed financial reserves.
- b) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.

This includes reporting and taking into account:

- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
- The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.

1.2. This paper has to be considered and approved by full Council as part of the budget approval and Council Tax setting process.

1.3. This document concentrates on the General Fund budget, the Housing Revenue Account and Capital Investment Programme, but in addition it also considers key medium term issues faced by the Council.

**2. Assurance Statement of the Council's Section 151 Officer
(Executive Director of Finance and Resources)**

2.1. The following are the summary assurances and recommendations of the Council's Section 151 Officer (currently the Executive Director of Finance and Resources). They must be read in conjunction with the supporting statement in this Appendix, which together make up the Section 151 Officer's statutory duty to report under Section 25 of the Local Government Act 2003.

2.1.1. In relation to the 2020/21 General Fund Revenue budget I have examined the budget proposals and I believe that, whilst the spending and service delivery proposals are challenging, they are nevertheless achievable given the political and management will to implement the changes, good management, and the sound monitoring of performance and budgets. I am satisfied that sufficient management processes exist within the Council to deliver this budget and to identify and deal with any problems which may arise unexpectedly during the year.

2.1.2. The key process risks in making the above statement are the level of resources within the Council dedicated to providing financial support services and advice to managers, which will need the finance teams to be focused on key risk budgets.

2.1.3. My recommendations are also conditional upon:

- a) The Council approving the new Financial Sustainability Strategy for 2020 – 2030;
- b) The Council approving the updated Medium Term Financial Strategy for 2020/21 to 2024/25
- c) A recognition in the medium term planning approach that the level of reserves and corporate risk assessment need to be regularly reviewed in the light of changing circumstances and that it may not be possible to match the two at any single point in time. The Council needs to show a commitment to maintain reserves at a level which provides adequate cover for most identified risks during the planning period. This approach is pragmatic, and shows a clear commitment to prudent contingency planning. It must be noted, however, that the recommended levels of reserves could still leave the Council exposed to the very exceptional risks identified in this review and, if all those risks crystallised, then the total level of reserves could be inadequate;
- d) Cabinet Members, Chief Executive, Executive Directors and managers not exceeding their cash limits for 2020/21 (and future years covered by the Medium Term Financial Strategy);

- e) Taking every opportunity to meet the Reserves Strategy as a first call on windfall underspends;
- f) Not considering further calls on reserves other than for those risks that have been identified, those that could not have been reasonably foreseen and that cannot be dealt with through management or policy actions. The exception to this is where the Reserves Strategy (reviewed annually) is met. Even in those circumstances, it is not prudent to finance ongoing spending from one-off reserves. Any excess reserves should be targeted towards business transformation (including redundancies and invest to save initiatives), key services particularly Childrens and Adults, contributions to support capital outlay, Local Government funding changes and the impacts of significant changes in national policy.
- g) Where there is a draw-down on reserves, which causes the approved Reserves Strategy to be off target, that this is replenished as part of a revised Medium Term Financial Strategy;
- h) That the Council has arrangements and resources in place to consider value for money in preparation for future years' budgets.

2.1.4. In relation to the adequacy of reserves, I recommend the following Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment. The Reserves Strategy will need to be reviewed annually and adjusted in the light of the prevailing circumstances.

- a) An absolute minimum level of unallocated General Fund reserves of £8 million is maintained throughout the period between 2020/21 to 2024/25;
- b) An optimal level of unallocated General Fund reserves of £10 million over the period 2020/21 to 2024/25 to cover the absolute minimum level of reserves, in-year risks, cash flow needs and unforeseen circumstances;
- c) A maximum recommended level of unallocated General Fund reserves of £12 million for the period 2020/21 to 2024/25 to provide additional resilience to implement the Medium Term Financial Strategy;
- d) A Reserves Strategy to remain within the recommended level of reserves over the relevant period of 2020/21 to 2024/25.

2.1.5. The estimated level of unallocated General Fund reserves at 31 March 2020, based on current projections is £11 million depending on the final outturn position. Therefore:

- a) The absolute minimum level of reserves of £8 million is currently being achieved;
- b) The optimal level of reserves of £10 million criteria is being achieved for 2019/20, if departments spend against budget as currently projected;
- c) The maximum level of reserves of £12 million is not being exceeded;
- d) Reserves should remain within the recommended range of reserves during 2019/20. This is subject to resources set aside for redundancy costs proving adequate and the cash limited budget for 2019/20 being met.

2.1.6. These recommendations are made on the basis of:

- a) The risks identified by the Chief Executive and Executive Directors reviews of their budgets;
- b) My own enquiries during the development of the current budget proposals;
- c) The resilience and sustainability required to deliver the Medium Term Financial Strategy;
- d) One-off unallocated reserves not being used to fund new on-going commitments;
- e) That the reserves in 2020/21 and the foreseeable future are used only if risks materialise and cannot be contained by management or policy actions.
- f) That where reserves are drawn down, the level of reserves is maintained in line with the latest Medium Term Financial Strategy.

2.1.7. There are also serious exceptional risks which, if they crystallise, could significantly impact the Council's reserves and leave its financial standing seriously in question. These include :

- a) The potential for cliff slips, pier remediation works and any other unforeseen Council owned infrastructure issues;
- b) Waste Management (Disposal) – This is to be kept under review pending a new contract in 2023;
- c) The current Waste Collection and Street Cleansing contract, which has been renegotiated now includes a requirement for an earlier re-tendering of this service in 2023;

- d) The financial implications from the Care Act, other welfare reform changes and other associated Housing legislation;
- e) The increasing cost and demand pressures for adult and children social care;
- f) The risk surrounding the non-delivery of savings and exceeding investment proposals within the budget package for 2020/21;
- g) The extreme financial issues for the public sector arising from the prevailing and continuing national and local conditions;
- h) The risk of even further significant reductions in income and Government grant funding, particularly in relation to:
 - Growth and decline in the Council's Tax base and Business Rates base;
 - Business Rates appeals from the 2017 revaluation;
 - Academies funding;
 - The Local Council Tax Support Scheme with reduction in subsidy funding and no protection for caseload increases;
 - Further changes to the way in which Local Government is financed by Government particularly with any changes to the Business Rates Retention Scheme;
 - Future Government changes in policy and funding for Local Government, particularly the unknown impact of the next Spending Round and fair funding review;
 - The need to address the Country's ongoing Public Sector Borrowing Requirement (PSBR) and the structural financial deficit.
 - The economic impact of the withdrawal of the UK from the European Union;
- i) Insurance Claims;
- j) Any impact on Council services and Budget in 2020/21 and later years arising from the intended withdrawal from the European Union on 31/1/20.

2.1.8. In relation to the Housing Revenue Account (HRA) in 2020/21 and the medium to long term:

- a) Given the current status of housing management provision the recommendation is that general reserves be maintained at the target figure of £3m;
- b) A 2020/21 budget has been agreed with South Essex Homes Ltd. to maintain a balanced HRA;

- c) Forward projections for the HRA beyond 2020/21 are being remodelled. In addition, this is linked to the HRA's own Medium Term Financial Strategy for the period 2020/21 to 2024/25.

The current position demonstrates that it is possible to:

- Maintain a balanced HRA throughout that period;
- Meet current level of capital investment; and
- Repayment of required debt

2.1.9. In relation to the General Fund and HRA Capital Investment Programme 2019/20 to 2024/25 (including commitments from previous years and new starts):

- a) The HRA Capital Programme will need to be contained within the total programme cost;
- b) The General Fund Capital Budget is substantial but is based on the best information available in terms of project costs. What is less certain is the actual phasing of expenditure;
- c) The key strategic schemes identified in the Capital Investment Programme will be closely monitored in-year;
- d) That the funding identified for the approved Capital Investment Programme is delivered and is prudent, affordable and sustainable.

2.1.10. In relation to the medium to long term Capital Investment Programme:

- a) The delivery of the agreed Capital Strategy and Asset Management Plan is a critical priority to enable the matching of resources to needs and priorities.

2.2. Assurance

Given all these factors, I, as the Council's Section 151 Officer, consider the estimates for 2020/21 to be sufficiently robust but challenging for approval by the Council. I am also able to advise the Council that the level of General Fund Reserves is adequate and to recommend a Reserves Strategy which is achievable by 2020/21.

3. Supporting Statement

3.1. Processes

3.1.1. Budget estimates are exactly that – estimates of spending and income made at a point in time and which will change as circumstances change. This statement about the robustness of estimates cannot give a 100% guarantee about the budget but gives Members reasonable assurance that the budget has been based on the best information and assumptions available at the time.

3.1.2. In order to meet the requirement on the robustness of estimates a number of key processes have been put in place, including:

- a) The issuing of clear guidance to Services on preparing budgets;
- b) The development of a Council wide risk assessment;
- c) The use of extensive budget monitoring and its escalation process to identify risks;
- d) The Council's S151 Officer providing advice throughout the process of budget preparation and budget monitoring;
- e) The Chief Executive and Executive Directors review of their budgets and appropriate sensitivity analysis;
- f) A review of all budget proposals and implications by CMT from April 2019 to February 2020;
- g) A review of budget proposals and implications by Cabinet Members from June 2019 to February 2020;
- h) Enquiries made directly by the Section 151 Officer and Finance Officers

3.1.3. Notwithstanding these arrangements, which are designed to rigorously test the budget throughout its various stages of development, considerable reliance is placed on the Chief Executive, Executive Directors and Directors having proper arrangements in place to identify issues, project costs, service demands, to consider value for money and efficiency, and to implement changes in their service plans. These arrangements are supported by appropriately qualified financial staff.

3.1.4. A summary of the key budget assumptions considered by Services and financial staff in terms of assessing the robustness of their budgets are shown below;

- a) The treatment of inflation and interest rates.
- b) The treatment of demand led pressures.
- c) The treatment of efficiency savings/productivity gains.

- d) The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments.
- e) The availability of other funds to deal with major contingencies.
- f) The Service's track record in budget and financial management.
- g) The Service's capacity to manage in-year budget pressures.

3.1.5. The full key budget assumptions and comments by the Chief Executive and Executive Directors have been used in constructing all budget proposals.

3.1.6. Corporate and service processes are under continuous review and improvement. Over the last few years there has been a sustained emphasis on a robust scheme of budget monitoring with an improved reporting format to Cabinet and Members in 2019/20. Additionally, the regular review and monitoring of the annual budget savings that was introduced by the current Executive Director of Finance & Resources will continue in 2020/21.

3.1.7. There is also clear plans in place for the continuous improvement and development of the ERP system (Business World) covering both Financial and HR systems. This will strengthen the authority's capacity and ability to monitor more effectively the overall budget. Continual improvement in these processes will also assist in the prevention or at least the earlier identification of issues to be dealt with in the budget and Medium Term Financial Strategy and allow for any in-year rebalancing to be undertaken as soon as possible if required. Nevertheless in preparing a comprehensive budget for such a complex Organisation, unforeseen issues will undoubtedly still arise throughout the year and in the future.

3.2. Robustness of Estimates - General Fund Revenue Budget

3.2.1. The 2020/21 budget and Southend 2050 ambition, themes and 5 year roadmap continues the need and our commitment to target our financial resources to delivering better outcomes and effectively managing risks. In addition to improving efficiency, there are clearly choices for the Council in this respect:

- a) To increase financial resources to meet demand and reduce risk;
or
- b) To reduce (where possible) service levels and standards, frequency of service delivery, and eligibility for services.

3.2.2. As part of developing the budget, Members of the administration have considered these options and the outcome of these deliberations are reflected in the proposed budget.

3.2.3. Most notably the Council has had to address major cost increases and pressures as well as corporate priorities including:

- a) Employee costs;
- b) Demographic and cost pressures for Adult and Children Social Care;
- c) The cost of prudential borrowing within the capital programme;
- d) Shortfalls in income and grant income;
- e) Inflation;

3.2.4. The factors and risks taken into account in developing the proposed budget and recommendations on reserves are contained in each of the Executive Directors proposals surrounding their Service budget.

3.2.5. These assumptions will require the forecasts for future years to be reviewed early in each financial year leading to more detailed budgets during the autumn of each financial year.

3.3. New Financial Sustainability Strategy

3.3.1. The Council has developed a new high level long term strategy that is designed to frame its financial future and intentions. This strategy will help set the context for the Medium Term Financial Strategy, guide the Council's approach to maximising resources, prioritising investment and the effective targeting of resources to deliver the ambitions and outcomes contained within the Southend 2050 programme and Roadmap phases.

3.3.2. Its primary purpose is to outline the Council's approach, desire and commitment to achieving financial sustainability by embracing the area's economic potential, growing our local tax base and increase sustainable income capabilities.

3.4. Medium Term Financial Strategy

3.4.1. The Council needs to deliver its Medium Term Financial Strategy reflecting the continuing impact of the proposed budget and only planned growth in relation to issues that are unavoidable. Within the current uncertain financial climate it is very likely that service improvement and reasonable Council Tax increases, without key service reductions, will only be achieved through improving efficiency, clear prioritisation and adopting a new more commercial approach to income generation.

3.5. Adequacy of Reserves – General Fund Revenue Budget

- 3.5.1. Under the Local Government 2003 Act the Secretary of State has powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their S151 Officer.
- 3.5.2. Determining the appropriate levels of reserves is not a precise science or a formula e.g. a percentage of the Council's budget. It is the Council's safety net for risks, unforeseen or other circumstances. The reserves must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the council as these can and will change over time.
- 3.5.3. Determining the appropriate levels of reserves is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budget preparation, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management. It is also a professional judgement on the external factors that influence the Council's funding position.
- 3.5.4. The consequences of not keeping a minimum prudent level of reserves can be serious. In the event of a major problem or a series of events, the Council would run the serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.
- 3.5.5. The recommendation on the prudent level of reserves has been based on the robustness of estimate information and the Corporate Risk Register. In addition, the other strategic operational and financial risks taken into account when recommending the minimum level of unallocated General Fund reserves include:
 - a) There is always some degree of uncertainty over whether the full effects of any economy measures and/or service reductions will be achieved. The Executive Directors have been requested to be prudent in their assumptions and that those assumptions, particularly about demand led budgets, will hold true in changing circumstances.
 - b) The Bellwin Scheme Emergency Financial Assistance to Local Authorities provides assistance in the event of an emergency. The Local Authority is able to claim assistance with the cost of dealing with an emergency over and above a threshold set by the Government.
 - c) The risk of major litigation, both current and in the future.
 - d) Risks in the inter-relation between the NHS and Social Service authorities coupled with the responsibilities of Public Health.

- e) The Local Council Tax Support Scheme with less Government funding and increases in caseload at the Council's own risk
- f) Issues arising from the final Housing Benefit Subsidy Claim.
- g) The localisation of Business Rates including the impact of businesses declining in the borough boundaries.
- h) New and impending legislation.
- i) Unplanned volume increases in major demand led budgets, particularly in adult and children's services, learning disabilities, physical and sensory impairment, and housing benefits.
- j) The need to retain a general contingency to provide for some measure of unforeseen circumstances which may arise. This part of the reserves is not provided for directly but indirectly on the assumption that the financial risks identified will not all crystallise.
- k) The need to retain reserves for general day-to-day cash flow needs. This is minimal given the level of cash the Council holds at any given time.

3.5.6. Further exceptional risks identified may have a potential and serious call on reserves. The Council is advised to be cautious about these risks and commit to restoring any drawn down reserves in line with the Medium Term Financial Strategy.

3.5.7. In these circumstances, I will require the Council, Cabinet, Chief Executive, Executive Directors and Directors:

- a) To remain within their service budget for 2020/21 and within agreed medium term financial strategy parameters for future years (2021/22 to 2024/25) with a strict adherence to recovering overspends within future years' financial plan targets;
- b) Repayment to reserves in line with the Medium Term Financial Strategy should these risks materialise;
- c) Direct any windfall revenue savings/underspends to reserves should the General Fund Revenue Reserves Strategy require it.

3.6. **Estimated Earmarked General Fund Revenue Reserves**

3.6.1. I have reviewed the Council's General Fund earmarked revenue reserves which are estimated to amount to circa. £67.1 million at 1 April 2020. This is compiled of key specific reserves of Insurance at £6.8 million, Welfare Reform and Social Fund at £1.7 million, Adult and Children's Social Care at £2.4 million, Interest Equalisation at £3.7 million, Rents Equalisation at £0.9 million, MRP Equalisation at £16.3 million, Waste Management at £4.9 million, Business Transformation at £2.1 million, New Homes Bonus at £5.3 million, Business Rates Retention at £4.3 million, Capital at £2.4 million, Pensions at £9.6 million and Grants at £4.1 million. The remainder is made up of other smaller funds held for specific purposes.

3.7. Estimated Earmarked Housing Revenue Account Revenue Reserves

3.7.1. I have reviewed the Council's Housing Revenue Account earmarked revenue reserves which are estimated to amount to £28.8 million at 1 April 2020. This is compiled mainly of a Capital Investment reserve of £23.2 million and Major Repairs reserve of £5.1 million.

3.8. Schools' Balances

3.8.1. Schools' balances, while consolidated into the Council's overall accounts, are a matter for Governing Bodies. Nevertheless, under the Council's Scheme for Financing Schools the Council has a duty to scrutinise whether any school holds surplus balances. Section 4.1 "The right to carry forward surplus balances" identifies that Schools may carry forward from one financial year to the next any surplus/deficit in net expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.

3.8.2. Any revisions to the Council's Scheme for Financing Schools in respect of balances will be amended in line with the requirements of the Secretary of State for Education with minor amendments agreed by the Schools' Forum.

3.8.3. I am satisfied that the arrangements in place are adequate.

3.9. Capital Investment Programme – 2020/21 to 2024/25

The Capital Budget

3.9.1. Projects, included in the capital investment programme, were prepared by Directors and managers in line with financial regulations and guidance. All projects were agreed by the relevant member of CMT and Cabinet Member and are fully funded for their estimated cost.

3.9.2. Projects have been costed at outturn prices with many subject to tender after inclusion in the programme. This may lead to variance in the final costs.

3.9.3. Services are required to work within the given cash envelope so any under or over provision must be found within these limits.

Capital Investment Programme Risks

3.9.4. The risk of the Council being unable to fund variations in the programme is minimal mainly due to phasing of projects. The Council is able to freeze parts of the programme throughout the year to ensure spend is within the agreed financial envelope, although this will have service implications.

3.9.5. A further key risk to the capital investment programme is the ability of the Council to fully deliver it within the agreed timescales.

3.9.6. In relation to the General Fund and HRA Capital Investment Programme specifically for 2020/21 (including commitments from previous years and new starts):

- a) The HRA Capital Investment Programme will need to be contained within total programme cost by delaying or stopping specified schemes.
- b) The General Fund Capital Budget is substantial but is based on the best information available in terms of project costs. What is less certain is the phasing of expenditure.
- c) The strategic schemes identified in the Capital Investment Programme will be closely monitored in-year.
- d) That the funding identified for the approved Capital Investment Programme is delivered and is prudent, affordable and sustainable.

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Appropriations to and from General Fund Earmarked Reserves

Appropriations for 2019/20

Within the forecast outturn figure, there are a number of proposals for appropriations to and from earmarked reserves. The final value of these appropriations will be assessed at year-end and reported as part of the closedown reporting programme.

Appropriations to Reserves

1. £2,031,000 to the New Homes Bonus Reserve

The Council currently continues to receive New Homes Bonus Grant. Given the uncertainty over the level of this grant in the future, it is proposed that any monies are continued to be used to support one-off projects.

2. £3,665,000 to the MRP Equalisation Reserve

Following the review of the Council's MRP policy, the amount of MRP that the Council needs to set aside in 2019/20 has dropped significantly below budget. Rather than take this saving to general reserves, it is proposed that it be transferred to the MRP equalisation reserve to fund future increases in MRP without impacting base line services.

3. £3,733,000 to the Pensions Reserve

The Pensions Reserve was used in 2017/18 and 2018/19 to fund the pension deficit payment. This appropriation completes the final (3rd year) instalment of replenishing the Reserve as part of the last triennial Pensions review in 2017.

4. £800,000 to the Dedicated Schools Grant Reserve

Planned contribution to this Reserve which is primarily attributable to High Needs underspend in 2019/20. Other contributory elements include the Department of Education Early Years funding adjustment for 2018/19 (received in 2019/20) and the approved underspend on the centrally retained growth fund.

Total Appropriations to Reserves

£10,229,000

Appropriations to and from General Fund Earmarked Reserves

Appropriations from Reserves

5. £3,014,000 from the Business Transformation Reserve

To fund a number of one-off investments identified as part of the approved 2019/20 budget.

6. £5,574,000 from the Capital Reserve

This is to fund a number of approved capital projects in 2019/20.

7. £36,000 from the Elections Reserve

In line with the purpose that this reserve was set up, £36,000 will be released in 2019/20 in support of the costs of the Borough elections in May 2019.

8. £500,000 from the Interest Equalisation Reserve

To compensate for an in year change to regulation regarding income recognition.

9. £200,000 from the Schools Improvement Reserve

To fund approved and planned investment into Schools Improvement

10. £835,000 from the New Homes Bonus Reserve

To fund the work required to progress the development of an approved Local Plan.

11. £100,000 from the Supporting People Reserve

To fund additional demand created within approved supported housing contracts in 2019/20.

12. £300,000 from the Welfare Reform Reserve

To fund on-going approved work around welfare reform and housing benefit subsidy arrangements for 2019/20.

13. £2,000,000 from the Children's Social Care Reserve

To fund additional investment into Children's Social Care and support in-year service demand pressures for 2019/20.

14. £350,000 from the Social Fund Reserve

To continue to fund the approved on-going work of the Essential Living Fund Team in 2019/20.

Appropriations to and from General Fund Earmarked Reserves

15. £1,000 from the Waste Reserve

This is to equalise the impact of the saving being delivered over the life of the new waste collection contract.

16. £753,000 from the General Grants Reserve

In accordance with proper accounting practice, grants received in 2018/19, but not used, were carried forward into 2019/20 via the use of earmarked reserves. This appropriation represents the release of some of those funds to support the approved and eligible grant related expenditure.

17. £133,000 from the Public Health Reserve

In accordance with proper accounting practice, public health grant received in 2018/19, but not used, was carried forward into 2019/20 via the use of earmarked reserves. This appropriation represents the release of some of those funds to support the approved and eligible public health expenditure.

Total Appropriations from Reserves

£13,796,000

Appropriations to and from General Fund Earmarked Reserves

Appropriations for 2020/21

The proposed appropriations to and from earmarked reserves included within the 2020/21 budget are:

Appropriations to Reserves

1. £1,370,000 to the New Homes Bonus Reserve

The Council currently continues to receive New Homes Bonus Grant. Given the uncertainty over the level of this grant in the future, it is proposed that any monies are continued to be used to support one-off projects.

2. £2,000,000 to the Pensions Reserve

This appropriation provides some flexibility by beginning to rebuild the Pensions Reserve in order to ensure that the Council has sufficient provision to cope with future pension fund evaluations.

Total Appropriations to Reserves

£3,370,000

Appropriations to and from General Fund Earmarked Reserves

Appropriations from Reserves

1. £815,000 from the Business Transformation Reserve

To fund a number of one-off investments proposed as part of 2020/21 budget package.

2. £363,000 from the Capital Reserve

To fund a number of capital projects proposed as part of the 2020/21 budget package.

3. £200,000 from the Schools Improvement Reserve

To fund proposed investment into Schools Improvement for 2020/21.

4. £560,000 from the New Homes Bonus Reserve

To fund a number of proposed one-off investments during 2020/21.

5. £350,000 from the Social Fund Reserve

To fund the proposed on-going work of the Essential Living Fund Team in 2020/21.

6. £36,000 from the Elections Reserve

In line with the purpose that this reserve was set up, £36,000 will be released in 2020/21 in support of the costs of staging the Borough elections in May 2020.

7. £250,000 from the Outcome Delivery Reserve

This is to fund proposed interventions in 2020/21 which will provide better improve outcomes in line with our 2050 ambitions.

8. £945,000 from the Interest Equalisation Reserve

This is to smooth the impact in 2020/21 of the increases in the interest budgets as a result of the financing of the capital investment programme.

9. £918,000 from the MRP Equalisation Reserve

This is to smooth the impact in 2020/21 of the increases in MRP that the Council needs to set aside as a result of the proposed capital investment programme.

10. £4,350,000 from the Pensions Reserve

This is to fund the prepayment of pension deficit contributions and thereby securing savings over the three year actuarial review period.

Appropriations to and from General Fund Earmarked Reserves**11. £150,000 from the Public Health Grant – Public Health Reserve**

This is to fund proposed additional investment for the operation of a new complex needs facility. This investment will be drawn down once the purchase of a suitable property is secured to expand the service and provision in 2020/21.

12. £35,000 from the Public Health Grant – DAAT Reserve

This is to fund proposed additional hours and capacity to enhance the current operating model at the local complex needs facility in 2020/21.

Total Appropriations from Reserves

£8,972,000

GENERAL FUND YEAR ENDING 31 MARCH 2021

	Original Estimate 2019/20	Original Estimate 2020/21
	£000	£000
Portfolios		
Leader	15,021	16,494
Deputy Leader	11,519	13,344
Business, Culture and Tourism	7,370	7,957
Children and Learning	34,630	34,798
Community Safety and Customer Contact	7,078	7,921
Environment and Planning	20,785	20,529
Health and Adult Social Care	36,798	40,548
Sub Total	133,201	141,591
Capital Financing Removed	(24,303)	(21,008)
Portfolio Net Expenditure	108,898	120,583
Levies	643	645
Contingency	5,110	3,297
- Pensions & Apprenticeship Levy	0	0
Pensions Upfront Funding	(3,733)	
Financing costs	11,799	17,874
Total net expenditure	122,717	142,399
Contribution to /(from) general reserves	0	0
Contribution to /(from) earmarked reserves	1,413	(5,727)
Revenue Contribution to Capital	5,376	363
Non Service Specific Grants	(3,859)	(6,607)
Total Budget Requirement	125,647	130,428
Met from:		
Revenue Support Grant	(5,925)	(6,049)
Retained Business Rates	(24,130)	(25,481)
Business Rates Top up Grant	(12,337)	(12,551)
Collection Fund Surplus	(2,500)	(2,000)
Council Tax Requirement	80,755	84,347
Council Tax	(75,022)	
Adult Social Care Precept	(5,733)	
	(80,755)	

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Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Leader									
Housing									
Housing Needs and Homelessness	1,521	(1,313)	208	1,670	(1,466)	204	1,710	(1,483)	227
Private Sector Housing	605	(120)	485	535	(226)	309	718	(178)	540
Strategy and Planning for Housing	409	(125)	284	509	(125)	384	537	(128)	409
Supporting People	2,245	0	2,245	2,245	0	2,245	2,245	0	2,245
Legal and Democratic Services									
Democratic Services Support	385	0	385	385	0	385	389	0	389
Elections and Electoral Registration	358	0	358	358	0	358	359	0	359
Legal Services	1,409	(251)	1,158	1,644	(251)	1,393	1,435	(256)	1,179
Local Land Charges	202	(297)	(95)	202	(297)	(95)	201	(297)	(96)
Mayoralty	175	0	175	176	0	176	183	0	183
Member Support	715	0	715	715	0	715	715	0	715
Other Services									
Corporate Subscriptions	250	0	250	250	0	250	100	0	100
Emergency Planning	206	0	206	233	0	233	227	0	227
Human Resources	1,978	(517)	1,461	2,138	(517)	1,621	2,177	(555)	1,622
Strategic Service Support	599	0	599	652	(3)	649	670	(19)	651
Strategy and Performance	1,817	(115)	1,702	1,852	(41)	1,811	1,900	(41)	1,859
Revenues and Benefits									
Council Tax Collection	984	(684)	300	1,094	(794)	300	992	(698)	294
Housing Benefit Administration	1,664	(925)	739	1,681	(925)	756	1,675	(925)	750
Non Domestic Rates Collection	207	(308)	(101)	202	(278)	(76)	209	(309)	(100)
Rent Benefit Payments	73,902	(74,005)	(103)	73,902	(74,005)	(103)	64,546	(64,649)	(103)
Strategic Planning and Policy									
Corporate and Non-Distributable Costs	1,886	(196)	1,690	1,952	(196)	1,756	2,356	(200)	2,156
Leader Total	91,516	(78,857)	12,659	92,393	(79,124)	13,269	83,343	(69,736)	13,607

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Deputy Leader									
Asset and Facilities Management									
Asset Management	459	(17)	442	459	(17)	442	496	(17)	479
Buildings Management	1,868	(113)	1,755	2,033	(113)	1,920	2,039	(113)	1,926
Community Centres and Club 60	17	(1)	16	17	(1)	16	17	(1)	16
Corporate and Industrial Estates	93	(3,567)	(3,474)	93	(3,567)	(3,474)	97	(3,667)	(3,570)
Property Management and Maintenance	460	(114)	346	460	(114)	346	482	(116)	366
Tickfield Training Centre	362	(160)	202	362	(160)	202	400	(164)	236
Financial Services									
Accountancy	2,261	(308)	1,953	2,204	(273)	1,931	2,345	(271)	2,074
Accounts Payable	129	(4)	125	129	(4)	125	135	(4)	131
Accounts Receivable	200	(82)	118	200	(82)	118	211	(84)	127
Corporate Fraud	229	(52)	177	229	(52)	177	237	(53)	184
Corporate Procurement	700	0	700	774	0	774	964	0	964
Insurance	173	(249)	(76)	173	(249)	(76)	178	(249)	(71)
Internal Audit	739	(207)	532	556	(189)	367	700	(192)	508
Highways and Transport									
Bridges and Structural Engineering	51	0	51	26	0	26	51	0	51
Car Parking Management	1,261	(6,993)	(5,732)	1,729	(6,868)	(5,139)	1,413	(6,970)	(5,557)
Concessionary Fares	3,390	0	3,390	3,037	0	3,037	3,390	0	3,390
Decriminalised Parking	1,178	(1,707)	(529)	1,442	(1,597)	(155)	1,141	(1,741)	(600)
Dial A Ride Service	97	(20)	77	102	(20)	82	72	(20)	52
Highways Maintenance	2,712	(283)	2,429	3,857	(173)	3,684	3,536	(189)	3,347
Passenger Transport	142	(67)	75	257	(82)	175	142	(68)	74
Road Safety and School Crossing	214	0	214	128	0	128	165	0	165
Traffic and Parking Management	155	(6)	149	360	(16)	344	171	(6)	165
Transport Management	168	0	168	168	0	168	224	0	224
Transport Planning	1,828	(2,287)	(459)	2,086	(1,777)	309	727	(612)	115
Vehicle Fleet	549	(344)	205	549	(344)	205	534	(351)	183
Deputy Leader Total	19,433	(16,581)	2,852	21,428	(15,698)	5,730	19,867	(14,888)	4,979

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Business, Culture and Tourism									
Culture									
Arts Development	500	(264)	236	538	(264)	274	613	(264)	349
Culture Management	156	(37)	119	156	(37)	119	11	(7)	4
Library Service	2,968	(410)	2,558	2,939	(358)	2,581	2,989	(392)	2,597
Museums and Art Gallery	871	(93)	778	871	(93)	778	889	(95)	794
Southend Theatres	52	(25)	27	52	(25)	27	52	(25)	27
Sport and Leisure Facilities	96	(304)	(208)	96	(304)	(208)	124	(308)	(184)
Sports Development	55	0	55	55	0	55	55	0	55
Economic Development and Regeneration									
Economic Development	3,730	(3,291)	439	3,673	(2,949)	724	651	(335)	316
Town Centre	182	(60)	122	166	(60)	106	193	(61)	132
Tourism									
Resorts Services Pier and Foreshore	1,458	(991)	467	1,468	(1,149)	319	1,426	(1,011)	415
Tourism	64	(17)	47	254	(17)	237	354	(17)	337
Business, Culture and Tourism Total	10,131	(5,492)	4,639	10,268	(5,256)	5,012	7,356	(2,515)	4,841

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Children and Learning									
Childrens Social Care									
Children Fieldwork Services	5,480	(5)	5,475	6,871	(5)	6,866	6,087	(5)	6,082
Children with Disabilities	1,179	(178)	1,001	1,354	(173)	1,181	1,250	(178)	1,072
Childrens Specialist Support and Commissioning	2,784	(171)	2,613	2,832	(201)	2,631	2,832	(184)	2,648
Inhouse Fostering and Adoption	5,089	(166)	4,923	5,305	(395)	4,910	5,618	(211)	5,407
Leaving Care Placements and Resources	1,903	(656)	1,247	2,932	(1,189)	1,743	2,291	(1,023)	1,268
Private Voluntary Independent Provider Placements	4,175	(120)	4,055	8,978	(165)	8,813	6,550	(120)	6,430
Education and Schools									
Early Years Development and Child Care Partnership	11,494	(10,057)	1,437	11,763	(10,280)	1,483	11,833	(10,471)	1,362
High Needs Educational Funding	12,402	(11,344)	1,058	13,419	(12,277)	1,142	13,446	(12,259)	1,187
School Support and Education Transport	6,918	(4,526)	2,392	6,101	(3,341)	2,760	8,652	(6,288)	2,364
Southend Adult Community College	3,263	(3,186)	77	2,277	(2,200)	77	2,277	(2,200)	77
Maintained Schools Delegated									
Maintained Schools Delegated Budgets	21,656	(21,656)	0	21,656	(21,656)	0	22,569	(22,569)	0
Pupil Premium	2,500	(2,500)	0	2,500	(2,500)	0	2,500	(2,500)	0
Youth and Family Support									
Early Help and Family Support	2,080	(1,203)	877	2,184	(1,118)	1,066	2,018	(1,258)	760
Youth Offending Service	1,993	(574)	1,419	1,887	(465)	1,422	2,035	(532)	1,503
Youth Service	520	(46)	474	473	(23)	450	538	(46)	492
Children and Learning Total	83,436	(56,388)	27,048	90,532	(55,988)	34,544	90,495	(59,843)	30,652

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Community Safety and Customer Contact									
Cemeteries and Crematorium									
Cemeteries and Crematorium	1,027	(2,640)	(1,613)	1,125	(2,515)	(1,390)	1,078	(2,692)	(1,614)
Community Safety									
Closed Circuit Television	509	(34)	475	494	(34)	460	534	(35)	499
Community Safety	607	(32)	575	622	(32)	590	800	(32)	768
Customer Services									
Customer Services Centre	2,192	(303)	1,889	2,038	(303)	1,735	2,313	(309)	2,004
Registration of Births Deaths and Marriages	351	(387)	(36)	339	(437)	(98)	366	(470)	(104)
ICT									
Information Communications and Technology	4,340	(1,238)	3,102	4,038	(1,310)	2,728	4,532	(1,261)	3,271
Regulatory Services									
Regulatory Business	29	(14)	15	47	(14)	33	29	(15)	14
Regulatory Licensing	118	(478)	(360)	124	(314)	(190)	118	(488)	(370)
Regulatory Management	1,165	0	1,165	1,102	0	1,102	1,228	0	1,228
Regulatory Protection	63	(13)	50	103	(13)	90	72	(14)	58
Community Safety and Customer Contact Total	10,399	(5,138)	5,261	10,031	(4,971)	5,060	11,069	(5,314)	5,755

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Environment and Planning									
Energy									
Climate Change	55	(163)	(108)	67	(141)	(74)	476	(394)	82
Flooding									
Flood and Sea Defence	414	(13)	401	315	(13)	302	414	(13)	401
Parks and Open Spaces									
Amenity Services Organisation	3,931	(600)	3,331	3,986	(600)	3,386	4,058	(612)	3,446
Parks and Amenities Management	1,492	(446)	1,046	1,493	(516)	977	1,517	(455)	1,062
Planning									
Building Control	457	(451)	6	499	(483)	16	449	(460)	(11)
Development Control	923	(656)	267	1,113	(806)	307	1,038	(750)	288
Regional and Local Town Plan	735	0	735	726	0	726	830	0	830
Waste and Street Scene									
Enterprise Tourism and Environment Central Pool	1,505	0	1,505	1,470	0	1,470	1,519	0	1,519
Environmental Care	228	(4)	224	225	(4)	221	228	(4)	224
Household Recycling	489	(7)	482	498	(7)	491	498	(7)	491
Public Conveniences	498	0	498	504	0	504	504	0	504
Street Cleansing	1,392	0	1,392	1,518	0	1,518	1,418	0	1,418
Waste Collection	4,993	0	4,993	5,039	0	5,039	5,088	0	5,088
Waste Disposal	5,037	0	5,037	4,527	0	4,527	5,039	0	5,039
Waste Management	281	0	281	382	(230)	152	(281)	(230)	(511)
Environment and Planning Total	22,429	(2,339)	20,090	22,361	(2,799)	19,562	22,796	(2,925)	19,871

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Objective Summary	2019/20						2020/21		
	Original			Probable Outturn			Budget		
	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)	Gross Expenditure	Total Income	Net Expenditure / (Income)
Health and Adult Social Care									
Adult Social Care									
Adult Support Services and Management	498	0	498	464	0	464	509	0	509
Business Support Team	1,744	(180)	1,564	1,820	(164)	1,656	1,881	(154)	1,727
Healthwatch Regulation	123	(69)	54	119	(69)	50	123	(69)	54
Older People	28,768	(18,182)	10,586	28,988	(19,913)	9,075	30,009	(20,745)	9,264
Other Community Services	5,720	(5,017)	703	4,604	(2,233)	2,371	4,577	(2,708)	1,869
People with a Learning Disability	14,499	(1,874)	12,625	15,499	(2,465)	13,034	15,550	(1,890)	13,660
People with a Physical or Sensory Impairment	5,192	(1,254)	3,938	5,262	(1,254)	4,008	5,588	(1,306)	4,282
People with Mental Health Needs	4,456	(396)	4,060	4,698	(420)	4,278	4,629	(395)	4,234
Strategy, Development and Commissioning	2,785	(786)	1,999	3,329	(1,098)	2,231	3,459	(958)	2,501
Health									
Drug and Alcohol Action Team	2,282	(2,187)	95	2,282	(2,187)	95	2,469	(2,187)	282
Public Health	6,145	(6,369)	(224)	6,158	(6,249)	(91)	6,426	(6,612)	(186)
Young Persons Drug and Alcohol Team	272	(265)	7	272	(265)	7	277	(265)	12
Voluntary and Community Services									
Support to Voluntary Sector	701	0	701	703	0	703	701	0	701
Health and Adult Social Care Total	73,183	(36,580)	36,603	74,198	(36,317)	37,881	76,197	(37,289)	38,908

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Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Leader			
Expenditure			
Employees	10,972	11,245	11,854
Premises	143	126	125
Transport	50	55	48
Supplies & Services	6,247	6,879	6,413
Third Party Payments	716	691	701
Transfer Payments	73,189	73,189	64,002
Special Items	200	208	200
Expenditure Total	91,516	92,393	83,343
Income			
Government Grants	(71,259)	(71,518)	(63,399)
Other Grants & Reimbursements	(4,752)	(4,758)	(3,679)
Fees & Charges	(1,900)	(1,983)	(1,779)
Rents	(75)	(75)	(75)
Recharges to Housing Revenue Account	(790)	(790)	(804)
Other Internal Charges	(80)	0	0
Income Total	(78,857)	(79,124)	(69,736)
Leader Total	12,659	13,269	13,607

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Deputy Leader			
Expenditure			
Employees	8,110	8,194	7,901
Premises	2,918	3,619	3,366
Transport	407	434	390
Supplies & Services	1,443	1,790	1,487
Third Party Payments	6,555	7,392	6,724
Expenditure Total	19,433	21,428	19,867
Income			
Government Grants	(1,227)	(1,227)	(2)
Other Grants & Reimbursements	(40)	(40)	(69)
Fees & Charges	(11,019)	(10,136)	(10,410)
Rents	(3,568)	(3,568)	(3,668)
Recharges to Housing Revenue Account	(259)	(259)	(264)
Other Internal Charges	(469)	(469)	(475)
Income Total	(16,581)	(15,698)	(14,888)
Deputy Leader Total	2,852	5,730	4,979

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Business, Culture and Tourism			
Expenditure			
Employees	4,757	4,836	4,471
Premises	1,225	1,242	1,302
Transport	71	71	70
Supplies & Services	3,605	3,710	1,084
Third Party Payments	473	408	428
Expenditure Total	10,131	10,268	7,356
Income			
Government Grants	(60)	(60)	(60)
Other Grants & Reimbursements	(3,712)	(3,369)	(756)
Sales	(165)	(195)	(140)
Fees & Charges	(1,503)	(1,561)	(1,506)
Rents	(52)	(70)	(52)
Income Total	(5,492)	(5,256)	(2,515)
Business, Culture and Tourism Total	4,639	5,012	4,841

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Children and Learning			
Expenditure			
Employees	16,777	18,191	17,576
Premises	313	294	301
Transport	625	766	1,808
Supplies & Services	20,179	20,664	19,903
Third Party Payments	18,196	23,288	22,463
Transfer Payments	27,345	27,329	28,445
Expenditure Total	83,436	90,532	90,495
Income			
Government Grants	(54,508)	(53,946)	(57,903)
Other Grants & Reimbursements	(785)	(1,056)	(863)
Sales	(49)	(121)	(144)
Fees & Charges	(988)	(808)	(875)
Rents	(58)	(58)	(58)
Income Total	(56,388)	(55,988)	(59,843)
Children and Learning Total	27,048	34,544	30,652

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Community Safety and Customer Contact			
Expenditure			
Employees	7,950	7,471	8,406
Premises	284	307	305
Transport	46	49	44
Supplies & Services	2,030	2,084	2,231
Third Party Payments	88	119	84
Expenditure Total	10,399	10,031	11,069
Income			
Other Grants & Reimbursements	(32)	(32)	(35)
Sales	(7)	(25)	(6)
Fees & Charges	(4,906)	(4,721)	(5,076)
Rents	(15)	(15)	(15)
Recharges to Housing Revenue Account	(127)	(127)	(130)
Other Internal Charges	(52)	(52)	(52)
Income Total	(5,138)	(4,971)	(5,314)
Community Safety and Customer Contact Total	5,261	5,060	5,755

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Environment and Planning			
Expenditure			
Employees	7,163	7,383	7,885
Premises	498	588	498
Transport	461	455	461
Supplies & Services	1,387	1,461	1,462
Third Party Payments	12,920	12,474	12,490
Expenditure Total	22,429	22,361	22,796
Income			
Government Grants	(13)	(13)	(13)
Other Grants & Reimbursements	0	(230)	(546)
Sales	(4)	(4)	0
Fees & Charges	(2,309)	(2,539)	(2,353)
Rents	(13)	(13)	(14)
Income Total	(2,339)	(2,799)	(2,925)
Environment and Planning Total	20,090	19,562	19,871

Southend on Sea Borough Council
General Fund Year Ending 31 March 2021

Subjective Summary	2019/20		2020/21
	Original £000s	Probable Outturn	Budget £000s
Health and Adult Social Care			
Expenditure			
Employees	15,509	17,987	17,775
Premises	265	327	271
Transport	463	596	453
Supplies & Services	4,647	5,401	5,254
Third Party Payments	52,400	49,987	52,444
Transfer Payments	(100)	(100)	0
Expenditure Total	73,183	74,198	76,197
Income			
Government Grants	(9,633)	(9,530)	(9,840)
Other Grants & Reimbursements	(15,759)	(15,809)	(15,990)
Fees & Charges	(11,187)	(10,979)	(11,411)
Rents	0	0	(48)
Income Total	(36,580)	(36,317)	(37,289)
Health and Adult Social Care Total	36,603	37,881	38,908




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PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21**1. Summary of Proposed Investment**







Theme	Proposed Investment (£)
Pride and Joy	200,000
Safe and Well	5,810,000
Opportunity and Prosperity	(75,000)
Connected and Smart	1,200,000
Enabling	(1,780,000)
Total *	5,355,000

* £575,000 will be funded by the prioritised iBCF Allocation for 2020/21 and £35,000 will be funded from Public Health Grant.






2. Proposed Investment by Theme

Theme		Total (£)	Proposed Initiatives
	PJ1	200,000	Tree & Shrub Planting/Maintenance As a result of works identified under the inspection programme there is a need to enhance the resources required for the maintenance of our current tree and shrub provision. New strategic planting of 1,000 trees and 2,500 shrubs across the Borough will also require further maintenance costs, as agreed at Cabinet in September 2019. This investment will support and enhance our green infrastructure.
Pride and Joy	Total	200,000	
	SW1	2,375,000	External Care Provision In order to meet the needs of vulnerable children the Council is currently having to place more reliance on external care provision. Due to current market conditions the costs of this provision is continually increasing. The current number of ongoing external care placements as at November 2019 is 87 (at a current average cost per child of £2,150 per week across both residential and external foster care) compared to 54 children at the end of March 2019. This investment recognises that this request does not cover the whole budget pressure currently faced in this area. The long term strategy remains, to place children in care, within the Council's own local in house foster provision or a local children's care home whenever possible.
	SW2	400,000	In house foster carers Children thrive best in our local in-house foster care provision. Increasing capacity will place less reliance on more costly private external care provision. This investment request is to support a full years funding for 16 additional in-house foster carers. At an average of £25,000 per annum per placement in-house compared to a £50,000 average per annum external foster care placement.








PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21

	SW3	210,000	Newly Qualified Social Workers We have been very effective in recruiting Newly Qualified Social Workers in order to keep Children's Social Care caseloads at reasonable levels. This reduces reliance on the use of agency staff and associated recruitment fees. This investment request, is therefore seeking to increase the Newly Qualified Social Care workforce academy to 10 fully funded posts (currently 5 in 2019/20). This will contribute towards developing a permanent and sustainable workforce.
	SW4	115,000	Field work services Due to the increase in caseloads Children's Social Care teams within field work services are consistently fully staffed whether through permanently employed staff or via agency cover. It is making it impossible for the current budgeted vacancy factor to be achieved and this investment request seeks to remove it, recognising that the Council supports a fully funded Children Social Care workforce establishment at all times.
	SW5	100,000	Vulnerable Children Children's Social Care teams are also experiencing an increase in the need to support vulnerable families who require temporary accommodation support. These families are assessed in accordance with national and council policy, that if asylum seeking families have no access to central government funds, any child protection issues still remain the responsibility of the local authorities where that family is seeking accommodation. This investment request is therefore seeking an increase in the budget to support these families.
	SW6	200,000	Children's Social Care legal costs The current staffing resource in the Legal team is insufficient to keep pace with the escalating number of childcare cases. This means that it has been necessary to commission additional external legal support to manage the increasing demand.
	SW7	1,095,000	Living Wage for Adult Service Providers This request is for additional investment to cover the forthcoming increase of the national living wage in April 2020. The increase in wage costs for care providers will have an impact on the amount we pay for care.
	SW8	350,000	Children to Adults transition This funding is for the transition costs of supporting individuals with a learning disability who will reach the age of 18 and meet the eligibility criteria for adult social care interventions. The support will consider the person's skills and ambitions, and contribute to positive outcomes in their future lives.







PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21

	SW9	480,000	Older People demographics This will help us to meet the care needs of our growing older population. It will fund our Southend residents who either remain in their own homes with a domiciliary care package or direct payment. Those with more complex needs and who cannot be cared for in their own homes will be placed in suitable residential care.
	SW10	250,000	Equipment Services Most people want to remain in their home rather than move to a different setting. Some specific equipment is required to support those people with more complex needs to continue to remain in their own homes. This has created a pressure on the Equipment Service budget. Allowing people to be cared for in their own homes wherever possible reduces their social isolation and increases their quality of life. The equipment provided includes zimmer frames, commodes, reclining chairs and beds. This approach also aligns with Care Act requirements, to ensure consideration of an individual's wellbeing and prevent, reduce or delay the need for more costly interventions.
	SW11	120,000	Green City Aspirations To help realise our green city ambitions, specialist planning expertise is required, particularly around air quality requirements. It is a legal requirement for the Council to have an Air Quality Action Plan and this strengthens the links to both Public Health and Highways to ensure that preventative measures are in place to improve our local air quality. This proposal will provide the investment needed for the permanent continuation of an Air Quality Specialist and Planning Support Officer. These roles will enable reviews of all planning applications for health considerations to assess any potential issues ranging from noise complaints to contaminated land. This work will also reduce the probability of future enforcement.
	SW12	25,000	Public Health Act Funeral Arrangements There were 59 Public Health Act funerals in 2018/19 at an average cost of £1,000. All Public Health Act funerals from April 2019 are the responsibility of the Council, this request will bring the budget up to a more realistic level to undertake this statutory duty.
	SW13	155,000	Liquid Logic Support Team To support the development and administration of the new system but also to maximise the potential benefits of the new capabilities and secure greater value for money. Improving the functionality of the system will lead to the release of further efficiencies from improved productivity and better outcomes for clients from within both Adults and Children's Services.





PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21

	SW14	35,000	Complex Needs Provision This would provide circa 32 hours extra per week – which would enhance the current operating model at the facility, minimise complaints from neighbours and ensure the safety of staff members who are dealing with some very challenging clients. Currently funded by Public Health grant. Acquiring an additional suitable property is also being pursued via the capital investment programme to expand and extend local provision. Funding for running this new facility will initially come from the use of ‘one-off’ investment from reserves while potential other opportunities are explored.
	SW15	(£100,000)	Southend Care Saving on the existing block contract through the Company's efficient service delivery model as former Council staff who TUPE'd over to the Care Company are replaced through natural turnover by staff appointed on Southend Care's own terms and conditions. This saving has previously been declared as part of the contribution towards the financing costs of the Priory New build facility.
Safe and Well	Total	5,810,000	
	OP1	100,000	Library Review It was identified from the libraries peer review that there was a need to provide investment to address a number of items. Additional staffing costs at peak times to keep libraries open, a revision in the level of income targets and a recognition of an increase in cleaning costs. This change will adjust the budget accordingly to an appropriate level.
	OP2	(75,000)	Income Generation – Registration Service The statutory fee for birth, death and marriage certificates has increased from £4 to £11. The number of certificates issued will be closely monitored to assess the reasonableness of this increased income target but this change will result in additional income.
	OP3	(100,000)	Asset Management Income Additional rent and lease income will be achieved due to the planned annual reviews for a range of tenants in Council owned properties and assets. There will also be additional rent from Friars Nursery and new properties at Brunel Road.
Opportunity and Prosperity	Total	(75,000)	
	CS1	500,000	Potholes This investment will fund appropriate reactive works to be undertaken alongside planned capital maintenance works which over time will improve the overall quality of the highway and footway for all road and footpath users.
	CS2	50,000	Town Centre Parking This will enable the current reinstatement of one hour car parking in the following Town Centre car parks to continue; Alexandra Street, Clarence Road, Essex Street, University Square and Warrior Square.

PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21

	CS3	50,000	Signal Maintenance An increase in the use of Variable Message Signage has resulted in an increased maintenance requirement for these useful assets. There has also been an increase in the damage caused to traffic signals and junction boxes which have to be repaired. If there is sufficient evidence then these costs can be reclaimed through insurance companies.
	CS4	500,000	Streetworks Income Positively there has been a significant decrease in the number of instances of extended closures of the highway and substandard reinstatement works. This has resulted in a significant reduction in the level of income that can reasonably be expected in the future from issuing penalty notices to utility companies.
	CS5	100,000	Rechargeable Works When necessary works are undertaken as a result of damage caused to street furniture, with appropriate evidence these costs can be recharged to the liable party. The income target in this area has historically been overstated and this adjustment will ensure that the income budget is set at a more realistic level.
Connected and Smart	Total	1,200,000	
	E1	200,000	ICT Transformation Additional investment required to support the development of a new modern staffing structure designed to enable transformation and delivery. Principles of the new structure are based upon ICT being outcome aligned, business enabling with a clear strategy and technical architecture to develop best in class skills and capabilities.
	E2	100,000	Workforce Development Delivery of innovative solutions to roll out self-serve management capabilities and Learning & Development processes. This will allow for a continuing focus on the training and development of all staff across the organisation.
	E3	(800,000)	Waste Disposal There continues to be a benefit due to the Basildon Mechanical and Biological Treatment (MBT) plant remaining in a commissioning phase which charges a lower gate fee to accept residual waste and a further benefit due to the extension to the waste Joint Working Agreement with Essex CC which provides a share of the Waste Infrastructure Grant. This budget can therefore be temporarily adjusted to reflect the current situation until the outcome of the waste collection / disposal contract. The Medium Term Financial Forecast will be updated accordingly to reflect our future waste disposal liabilities if costs are expected to increase in the future.

PROPOSED REVENUE INVESTMENT AND REPRIORITISATION FOR 2020/21

	E4	(750,000)	Release of Pension Fund Provision The Council had prudently set aside this amount in its MTFS following the Pension Fund Valuation in 2016. The triennial review for 2019 has just been undertaken and the valuation of Southend's share of assets and liabilities has improved, from a funding level in 2016 of 91.4% to a funding level in 2019 of 103.5%. Pension Fund calculations by the independent actuaries are notoriously complex and can be volatile due to the many contributing factors. The situation will be carefully monitored and another formal review will be undertaken by the Essex Pension Fund in 2022. This provision can now be released and a further assessment will be made in good time for financial planning for 2023/24.
	E5	(250,000)	Productivity and Efficiency Gains All services are expected to continually improve their efficiency and productivity so each budget area will need to make a proportionate contribution towards this improvement target to ensure budgets are reduced accordingly.
	E6	120,000	Facilities Management As a result of additional cleaning work undertaken as part of our corporate social responsibility, and additional security requirements in the civic centre, there is a need to increase this budget to the required level.
	E7	(400,000)	Investment Income This level of increased returns is anticipated from our overall portfolio of short, medium and long term investments.
Enabling	Total	(1,780,000)	
		5,355,000	TOTAL INVESTMENTS AND REPRIORITISATIONS

PLANNED USE OF ONE-OFF INVESTMENT FROM RESERVES
2020/21 – 2022/23


1. Summary of Planned Use of One-Off Investment from Reserves

Proposed Reserve Use	Total (£)
Business Transformation	1,705,000
Public Health	300,000
New Homes Bonus	840,000
Outcome Delivery	750,000
School Improvement	600,000
Total	4,195,000




Investment by theme	Total (£)
Pride and Joy	300,000
Safe and Well	900,000
Active and Involved	200,000
Opportunity and Prosperity	1,490,000
Enabling	1,305,000
Total	4,195,000

	2020/21 (£)	2021/22 (£)	2022/23 (£)	Total (£)
Investment per year	1,895,000	1,565,000	735,000	4,195,000






2. Planned Use of One-Off Investment by Reserve

Theme	Item	2020/21	2021/22 Indicative	2022/23 Indicative	TOTAL	Proposed Reserve Use
	Service Design A continuation of the Service Redesign team, that will work with council teams and local residents/customers to look at and redesign Council services in order to improve them, maximise investment where possible and eradicate duplication across the organisation.	185,000	185,000	185,000	555,000	Business Transformation



PLANNED USE OF ONE-OFF INVESTMENT FROM RESERVES
2020/21 – 2022/23

	Community Safety/ Environment Crime Resources to allow for the scoping and commencement of delivery of a more joined up approach to better anti-social behaviour and environmental crime enforcement.	150,000	150,000	0	300,000	Business Transformation
	Summer and Winter Planning To ensure the recruitment of appropriate staffing and other related resourcing for the Borough's busy summer period and to support various winter events in the town centre and seafront area.	100,000	100,000	100,000	300,000	Business Transformation
	Community Builders/ Capacity Building Fund Introduction of a Community builders scheme on a test and learn basis, working in collaboration with SAVS. Community Builders will be embedded in the heart of the local community and will have preventative conversations with residents in neighbourhoods about what matters to them as well as helping people to build and connect using their personal strengths and with finding natural support through local assets and relationships. They will draw on resources that people already have around them and connect neighbours with each other through shared passions, breaking down social isolation. Community builders will be an enabler to support early, preventative action BY citizens to deliver on the Southend 2050 outcomes. A small sparks fund held in the community sector (SAVS) will be available for the builders to access to match fund small community projects.	100,000	100,000	0	200,000	Business Transformation

PLANNED USE OF ONE-OFF INVESTMENT FROM RESERVES
2020/21 – 2022/23

	Economic Development To enable continued research and staff support for the promotion of the town.	100,000	100,000	0	200,000	Business Transformation
	Workforce Development Temporary increased capacity required to deliver innovative solutions to roll out capabilities for staff to self-serve. Enhance Learning & Development processes as well as increased e-learning development right across the organisation.	100,000	50,000	0	150,000	Business Transformation
	TOTAL Business Transformation	735,000	685,000	285,000	1,705,000	
139 	Complex Needs Provision The intention is to purchase an additional suitable property to expand our provision. This request is for the estimated cost of expert staffing to provide support to residents and also outreach to other rough sleepers in the Borough, together with appropriate security.	150,000	150,000	0	300,000	Public Health
	TOTAL Public Health	150,000	150,000	0	300,000	
	Local Plan Continued resource is required to support the development of the Southend new Local Plan and contribution to the South Essex Joint Strategic Plan (JSP).	410,000	130,000	0	540,000	New Homes Bonus
	Housing Implementation Continued resource is vital to progress the implementation of the Housing, Homelessness and Rough Sleeping Strategy, a key council priority.	150,000	150,000	0	300,000	New Homes Bonus
	TOTAL New Homes Bonus	560,000	280,000	0	840,000	

PLANNED USE OF ONE-OFF INVESTMENT FROM RESERVES
2020/21 – 2022/23

	Outcome Delivery Investment to implement and embed a range of new approaches, tools and techniques that will enable the Council to continue transforming the way it works. In addition this investment will facilitate the testing and development of new concepts and ideas to enhance the impact of the agreed outcomes and delivery of the roadmap to 2023.	250,000	250,000	250,000	750,000	Outcome Delivery
	TOTAL Outcome Delivery	250,000	250,000	250,000	750,000	
	School Improvement To continue school improvement support including support for pupils to attain Grammar School entrance.	200,000	200,000	200,000	600,000	School Improvement
	TOTAL School Improvement	200,000	200,000	200,000	600,000	
	GRAND TOTAL	1,895,000	1,565,000	735,000	4,195,000	

Southend-on-Sea Borough Council

Report of Executive Director of Finance and Resources And Deputy Chief Executive - People

Agenda
Item No.

To
Education Board

On
17th December 2019

Report prepared by:
Paul Grout, Senior Finance Business Partner

Dedicated School Grant Budget Planning 2020/21 And Forecast Outturn 2019/20

1 Purpose of Report

To present the Education Board with the Dedicated Schools Grant (DSG):

- Final funding methodology for distribution of the 2020/21 Individual School Block (ISB) allocations
- Final indicative DSG budget allocation for 2020/21
- Updated forecast outturn for 2019/20

2 Recommendations

Education Board (EB) are asked to agree:

- 2.1 That the indicative and the remaining 2020/21 per pupil uplift applied to all individual school block allocations, who have either not benefited from and therefore already funded above the minimum funding rates per pupil for 2020/21 or a 4% uplift to applied to the applicable core NFF pupil led factors, are set on Option 1 of Appendix 1, which incorporates the proposed, required and asked school block to central block funding transfer. (As referenced in 4.4 – 4.8).
- 2.2 And, on the basis Option 1 is agreed, it is recognised this is a proposed short term measure for 2020/21, which has been driven by the Department for Education (DfE) recent announcement on the 11th October 2019 that the Central Block funding for historic commitments will be reduced by 20% for 2020/21. Option 1 will therefore allow the local authority (with working groups, as required) time to sensibly plan and consult (including with the Education Board), mitigating actions to address the continued and expected further funding losses from 2021/22 onwards.

- 2.3 Therefore, on the basis Option 1 (recommendation 2.1) is approved, the Education Board agree the total funded amount for Central Block services as referenced in 9.3 (option 1).
- 2.4 In the event, recommendation 2.1 / Option 1 is not agreed (which will then also automatically default to indicative Individual School Block allocations being set on Option 2). The Education Board are asked to agree the total funded amount for Central Block Services as referenced in 9.4 (option 2), and recognise the required Local Authority action as referenced in 4.5.
- 2.5 [Maintained School voting rights only] the de-delegation of funding to be centrally retained from the Schools block for the following services: (As referenced in 5.2)
- Staff Costs (Public duties)
- 2.6 That the growth fund to support schools continues to be held centrally within the Schools block and distributed to provide the extra required planned places within the authority.
- 2.7 And, as referenced in 6.3, if affordable to the long term growth model, a back dated increase can now applied to the growth rates proposed from Sept-19, which will be presented in the next January 2020 EB DSG report alongside the rates for Sept-20. This will also then, become an additional annual step of the model.
- 2.8 Agree, the 2020/21 early year funding rates, as shown in Appendix 3. (And referenced in 7.4)
- 2.9 And therefore on the basis of the decisions undertaken through both this and the previous October 2019 DSG paper, that this DSG paper and the following January 2020 DSG EB paper (which is for EB noting only), will be recommended to Council for final approval in February 2020.

And Education Board (EB) are asked to note:

- 2.10 With regard to individual school's budget (ISB) planning for 2020/21, as agreed, at the last October 2019 EB meeting:
- 2.10.1 The minimum per pupil 2020/21 funding levels have been set in line with the National Funding Formulae at £3,750 for primary schools and £5,000 for secondary schools (which is based on the nationally defined pupil led funding factors including lump sum).
- 2.10.2 And within the funding formulae itself, the core Pupil led National Funding Formulae (NFF) factors have been set and applied with the NFF 2020/21 4% uplift applied to those core factors from 2019/20.
- 2.11 That the final DSG Individual school budgets (ISB) for mainstream schools and the DSG 2020/21 budget, will be illustrated and simply for noting at the Education Board in January 2020, based on the agreed decisions made in both this December 2019 and the October 2019 DSG EB report.

3 Background

- 3.1 This reports sets out the 2020/21 Draft DSG budget and the final 2020/21 proposed funding methodology for award of funding to Individual School Budgets.
- 3.2 This reports follows on from the extensive “DSG 2019/20 budget update and budget planning for 2020/21” presented and agreed at the last October 2019 EB, which ultimately set the agreed trajectory for Individual School block allocations, subject to a remaining and required recommendation for a Schools Block to Central Block funding transfer, now proposed in this paper.
- 3.3 And, in continuation of the presentation of the last EB DSG report, to inform short term financial planning the 2020/21 Budget planning and the latest 2019/20 forecast outturn are presented alongside within each DSG funding block, and as displayed in ‘Appendix 2 – DSG Budget and Outturn 2019/20 to 2020/21’.

4 Schools Block – Individual School Block (ISB) allocations

2019/20 Budget to Forecast Outturn – on line to budget

2020/21 Individual Schools Budgets

Indicative DSG funding allocation £120.958M (Final tbc in January 2020)

- 4.1 As per the recommendations approved in the last DSG EB report, Appendix 1 – displays the indicative 2020/21 per pupil funding amounts for each school incorporating:
 - 4.1.1 Minimum per pupil funding levels of £3,750 for primary schools and £5,000 for secondary schools (including lump sum).
 - 4.1.2 A 4% increase applied to the applicable core pupil led NFF funding factors (which is based on the current 2019/20 baselines).
 - 4.1.3 And 2 options, option 1 displaying the % per pupil led uplift (indicative 1.66%) to all remaining schools incorporating the required and asked funding transfer to the central block, and option 2 displaying the % per pupil led uplift (indicative 1.84%) to all remaining schools without the required ask of a central block funding transfer.
- 4.2 And as referenced, in the last DSG EB paper, with the exception of those schools who will benefit from the 2020/21 minimum per pupil funding levels, all other school per pupil funding rates are indicative and therefore subject to minor changes once the DfE have processed and released the October 2019 school census data. Following that, the final illustrations will be shown in the next January DSG EB paper and will therefore be for noting only (which will also include any applicable and separate funding adjustments for 2020/21 Business rate charges and updated Numbers on Roll of each school as recorded through to the DfE in the October 2019 school census).

- 4.3 And lastly, as referenced in the last DSG EB paper and verbally updated at the last Education Board, the Department for Education have approved subject to the agreement of the school forum, an allowable block funding transfer (within the tolerance of 0.5% for the totality of Schools Block) from the schools block, to cover the 20% loss of funding to the central block. And to remind the Education Board, for Southend this is an equivalent £181,000 loss of funding (a national loss of £43.6M), compared to £905,000 of current central block funded services delivered, some of which, as shown in Appendix 4, are either part funded by the DSG or a 100% funded, all in accordance with decisions, previously undertaken through the Education Board/School Forum.
- 4.4 Now, given, the DfE only announced the actual amount of loss of funding for 2020/21 on the 11th October 2019 (which has imposed a very short and unrealistic time frame to consider the future of these services), and with due consideration to Appendix 4, illustrating both the activities and outcomes those services provide, the Education Board are asked to approve the proposed funding transfer for 2020/21 and therefore resulting illustrative school block allocations show under “option 1”, of Appendix 1.
- 4.5 If the Education Board approve this funding transfer for 2020/21, this will then at least ensure the listed services are protected and confirmed at their current funded levels for 2020/21 (1st April 2020 to 31st March 2021). In the event, the Education Board do not approve option 1, then the Appendix 4 listed services will be put at risk in terms of their current funded levels, and as the local authority is the lead commissioner of these services an appropriate action plan will need to urgently be put in place to seek to ensure the 2020/21 DSG £181,000 funding loss is recovered.
- 4.6 And yes, it must remain minded, the continuation of proposed school block transfer from 2021/22 is not a long term sustainable funding option, given it is now very likely (although not announced), that the DfE will continue to reduce this allocation by a further 20% for the remaining 4 years (21/22 through to 24/25), and by which time the full £905,000 will have gone, which in turn is also a greater sum than the current allowable 0.5% school block transfer.
- 4.7 And, it must also remain minded, that the ability to transfer funding from the school blocks to other blocks, is also subject to the annual decision of the DfE, and given the intention that a hard NFF implementation remains, this will no doubt remove the ability to apply local block funding transfers in future years.
- 4.8 Therefore, on the basis Education Board approve Option 1 (and protect these service’s for 2020/21), this will therefore buy some sensible time to allow the Local Authority to plan accordingly and update the Education Board during 2020/21, as to how the continued funding loss of historic Central Block services will be managed (with any required options) from 2021/22 onwards.

5 School block – Centrally retained de-delegated public duties (Voting rights Maintained only)

2019/20 Budget to Forecast Outturn – circa (£9,000) underspend

- 5.1 This position reflects the 11 academy schools that have now bought in at this stage, including an estimate of expected claims by the end of the year. Appendix 1 has also been updated to reflect an isolated DSG reserve balance for de-delegation, and therefore any final under or over spend on this fund will be carried forward into the following financial year.

2020/21 Indicative DSG funding allocation £5,538 (Final tbc in January 2020)

- 5.2 In continuation of the decision undertaken last year, and now the only proposed item for de-delegation Maintained Schools are asked to approve the continued de-delegation of public duties at £1.00 per pupil (same rate at 2019/20), which will also be applied to their Numbers on Roll as at the October 2019 Census.
- 5.3 The fund enables Maintained schools within the Borough to reclaim the cost of staff who undertake Public Duties (usually jury service or sitting as a magistrate), and to undertake trade union duties in work time, in accordance with the facilities agreement for schools.
- 5.4 And Academy Schools can continue to be able to buy in to this fund and therefore be eligible to claim from this fund, with the same charge rates applied as 5.2.

6 Schools Block – Centrally retained Growth Fund

2019/20 and 2020/21 Budget Planning

- 6.1 As referenced and agreed, in the March 2019 EB “DSG Growth Fund application 2019/20 and future years” paper:
- 6.1.1 The application of applied Growth fund is now managed on a long term basis, allowing any one year, to either, overspend or underspend, provided that the total application of the growth fund is affordable over the life of that planned growth.
- 6.1.2 And, In accordance with the previous agreement and conditions, the growth fund rates from Sept-20 will be presented in the next January 2020 DSG paper, for noting, which follow’s the DfE’s actual announcement of the size of the Growth fund for 2020/21.
- 6.2 Now given, as stated, it remains a statutory duty of the Local Authority and therefore School Admission team to determine and approve any required new intake class, and as previously stated, the confirmed required number of new intake classes, can change up until the end of the previous summer term as final admissions are confirmed. We have seen in the 2019/20 forecast a higher underspend, than previously expected, because there was 1 less new primary class and 1 new less secondary class than originally planned, which obviously in turn impacts the modelling.

- 6.3 Therefore, it now seems a sensible solution, that when the updated model is undertaken for the next January DSG EB report. If affordable to the planned long term model (which will be illustrated as an updated Growth Model appendix to the January DSG EB report), that a back dated increase to the growth rates can be also applied from the Sept-19 consistently to all schools with new and confirmed intake classes, but also maintaining, the previously agreed 1:1.186 Primary to Secondary per pupil funding ratio.
- 6.4 This would then also become another step to the annual updated model, which would help to ensure all funding received for growth, is distributed to support growth.

7 Early Years Block

2019/20 Budget to Forecast Outturn – held on line to budget

- 7.1 We must continue to remain minded, the Early Years Block 2019/20 DSG allocations remain provisional until the DfE have processed the January 2020 Early Years census, and will therefore announce revised and final funding allocations for the 2019/20 in July 2020.
- 7.2 Although, a final spend to provisional budget position cannot be confirmed until a full financial year, and therefore the 3 respective funding periods within have been processed. At this point in time, all funding claims compared to provisional budget allocation are either within or close to budget allocation.

2020/21 Budget Planning

Indicative allocation of £10.175M (tbc in January 2020, revised in July 2020, and further updated by the DfE in July 2021)

- 7.3 The DfE announced on 31st October 2019 that all local authorities will receive an additional 8p per hour (compared to their current 2019/20 funded rates), to help fund child care places for 2020/21.
- 7.4 Now given, the extensive work that has been performed by the local authority in the last few years in relation to Early Years funding, and decisions undertaken by the Education Board. It is pleasing to recommend that the Education Board passport through the full 8p per hour increase to **all core** provider rates for 2020/21 (as illustrated in Appendix 3).
- 7.5 This will, then in turn, continue to leave a small centrally retained early years fund and hold additional deprivation funding at their current levels. The Education Board, therefore also continues to ensure a high passport through rate of 98%, which is above the DfE minimum requirement of 95%.

8 High Needs Block

2019/20 Budget to Forecast Outturn – a projected (£152,000) under/over spend against allocated services lines expenditure.

- 8.1 Appendix 2 – displays the full 2019/20 forecast outturn for High Needs on a line by line basis. And as shown, the High Needs Block for 2019/20 is now anticipated to fully recover, including the full restoration of the depleted High Need DSG reserve balance of (£348,000) as at the 1st April 2019.
- 8.2 It must therefore be noted and continually commended, as planned, that given the national and recognised pressures on High Needs Funding, that through the joint work of Southend's Local Authority, Education Board, Applicable Special Schools and Schools (where savings have been made and agreed over the last 3 years). Southend's own DSG High needs funding position is now restored to a sustainable financial position at this current time, with consideration also applied to the 2020/21 funding allocation.
- 8.3 However, it must, also continue to remain minded that the financial pressures with the distribution of high needs funding are forever continually increasing, so future planning must remain both affordable and considerate.

2020/21 Budget Planning - Indicative allocation of £22.540M (explanation covered in the last October 2019 DSG report, and resulting service expenditure allocations will be set as planned in the pre-agreed June 2020 High Need detailed allocation paper)

9 Central Block

2019/20 Budget to Forecast Outturn – held on line to budget

2020/21 Budget Planning

Indicative allocation of £1.565M (Final tbc in January 2019)

- 9.1 As explained, in depth in the last DSG EB report, The 2020/21 indicative budget allocation (funding into the DSG) is circa £180,000 less than the 2019/20 allocation, as the DfE have now started to unwind the historic commitment element of the central block funding, at rate of 20% for 2020/21.
- 9.2 Approval is required by the Education Board each year to confirm the amounts and service lines.
- 9.3 Now given, the Education Board (EB) have been asked to approve a school block funding transfer **option 1**, to cover the circa £180,000 loss of funding. If the EB approve this transfer, it is asked that the EB also approve option 1 below in the table, and that these services, as listed, can continue to be funded from the Central Block (which is line with the previous years agreement), with a total amount of **£1,746,170**.

- 9.4 In the event, the EB do not approve option 1, which will then automatically default to **option 2**, the EB are therefore asked to approve, that the central block services listed under option 2, are funded as listed, with a total indicative amount of **£1,565,192** (and a 20% DSG funding reduction will be applied to all services listed within Appendix 4).

	Amount (Option 1)	Amount (Option 2)
From Central Schools Services Block		
Combined Budgets	£904,888	£723,910
CLA/MPA Licences	£127,017	£127,017
Schools Admissions	£267,980	£267,980
Servicing of Schools Forum	£18,700	£18,700
ESG Retained Duties	£427,585	£427,585
	£1,746,170	£1,565,192

10 DSG Funding

2019/20 Budget to Forecast Outturn – £130,000 additional income, relating to the previously explained Early years DSG funding adjustment for 2018/19

2020/21 Budget Planning

- 10.1 The current indicative DSG funding allocation for 2020/21, has been set at £156.235M. However, we continue to note that the total school block funding allocation will also be updated once the October 2019 census has been processed by the DfE, with the results released late December 2019, and therefore will be displayed in the next January 2020 DSG EB paper.

11 Latest forecast DSG reserve balances

- 11.1 The table below updates the current expected DSG reserve balances by year end.

Block	Schools – ISB £'000	Schools - growth £'000	Early Years £'000	High Needs £'000	Central £'000	Total £'000
Reserves surplus / (deficit)						
1 April 2019 B'fwd	0	(69)	594	(348)	39	216
18/19 Early years funding adj.	0	0	130	0	0	130
2019/20 forecast Variance	0	246	0	499	0	754
Transferred in year	0	0	0	0	0	0
31 March 2020	0	177	724	151	39	1,100

12 Conclusion

- 12.1 The DSG financial papers continue to offer both a DSG 2019/20 forecast outturn and 2020/21 budget planning view combined, and therefore sensibly informing a short term DSG financial plan.
- 12.2 It is also with praise to the work and decisions of the Local Authority, Education Board, Resource Sub Group, task and finish groups, special schools, schools, early years providers working constructively and collectively that have restored the DSG balances to a current and sustainable financial footing, which in turn benefits and maximizes available future funding to support all children and therefore educational development.
- 12.3 It is however, unfortunate, with the announcement of reductions in Central Block funding, the DfE are forcing difficult decisions to be placed on Local Authorities and respective Education Boards / School Forums to be made.

13 Appendices

Appendix 1 - Indicative Individual School budget allocations 2019/20

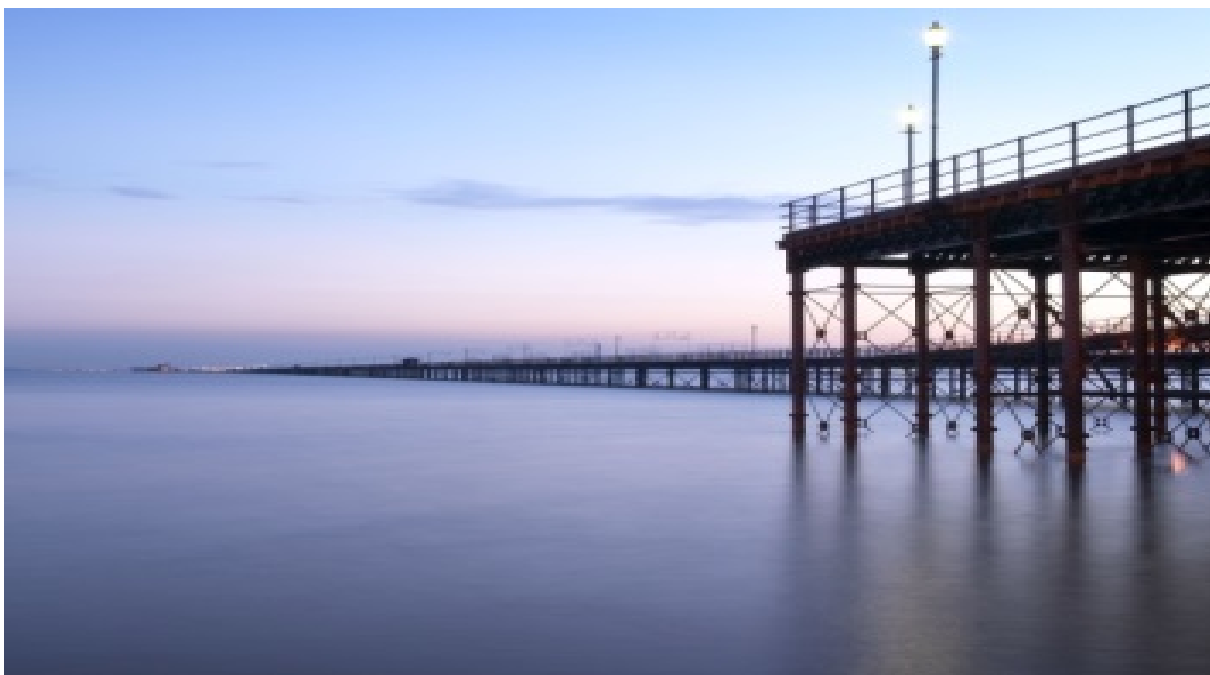
Appendix 2 - DSG Budget and Outturn 2019/20 to 2020/21

Appendix 3 - Proposed Early Years funding rates 2020/21

Part 2:

Appendix 4 - Central Block historic commitments

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Southend-on-Sea Borough Council

Capital Investment Strategy

2020/21 – 2024/25

January 2020

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Annexes:

Annex 1 – Capital Investment Policy

SOUTHEND-ON-SEA BOROUGH COUNCIL

CAPITAL INVESTMENT STRATEGY

1 Purpose

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital investment strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability.

The Capital Investment Strategy is a key document for the Council and forms part of the authority's integrated revenue, capital and balance sheet planning. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.

2 Scope

This Capital Investment Strategy includes all capital expenditure and capital investment decisions, not only as an individual local authority but also those entered into under group arrangements. It sets out the long term context in which decisions are made with reference to the life of the projects/assets.

3 Capital Expenditure

Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year, e.g. land, buildings, roads, vehicles. This is in contrast to revenue expenditure which is spending on the day to day running costs of services such as employee costs and supplies and services.

The capital investment programme is the authority's plan of capital works for future years. Included are the projects such as the purchase of land and buildings, the construction of new buildings, design fees and the acquisition of vehicles and major items of equipment. Also included could be service and commercial investments.

4 Capital vs. Treasury Management Investments

Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use in the course of business.

For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Policy and the Annual Treasury Management Investment Strategy.

The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside of normal treasury management activity. These may include service and commercial investments. The management of associated risk for these investments is set out in the Capital Investment Policy attached as Annex 1 to this strategy.

5 Links to other corporate strategies and plans

To support the Council's desired outcomes a number of key strategies have been agreed, for example the Core Strategy, Digital Strategy and the Housing, Homelessness and Rough Sleeping Strategy. To support the delivery of these key strategies a number of other interrelated strategies and plans are in place, such as the Sustainability Strategy, Medium Term Financial Strategy, Capital Investment Strategy, Corporate Asset Management Strategy (and related asset management plans), Treasury Management Strategy and Annual Treasury Management Investment Strategy.

The operation of all these strategies and plans is underpinned by the Council's constitution, in particular the Contract Procedure Rules and the Financial Regulations.

A diagram in the Medium Term Financial Strategy shows how this Capital Investment Strategy links to the other corporate strategies and plans. This is all in the context of the activities of the Council's group portfolio, the South Essex 2050 plan and the wider national context.

Capital resources should be directed to those programmes and projects that optimise the achievement of these outcomes. The following processes are designed to ensure this happens.

6 Resources available to finance capital

The first step is to ascertain the total resources available to finance the capital investment programme. This is based on the level of borrowing the Council can support, notified capital grants, prudent assumptions over the level of other grants and the timing and valuation of capital receipts that will be realised. More information by each source of capital funding is set out below:

6.1 External Funding

This can be in the form of grants and contributions from outside bodies including central government. Services must seek to maximise external funding wherever possible to support capital schemes. However, if services bid for external funding for schemes and say at tender or during construction or procurement, costs exceed the available funding, then services must fund any shortfall from their existing resources (either revenue or capital).

In respect of match funding bids then the relevant service must fully identify the necessary match funding resources from within existing budgets. If this is not possible then the appropriate service must raise this for consideration with the members of the Corporate Management Team and the relevant Cabinet Member prior to submitting any bid for funding.

6.2 Capital Receipts

A capital receipt is an amount of money exceeding £10,000 which is received from the sale of an asset. They cannot be spent on revenue items. The Director of Property and Commercial will review all of the Council's property annually against the aims and objectives of the Corporate Asset Management Strategy. The general policy is that any capital receipts are then pooled and used to finance future capital expenditure and investment according to priorities, although they may be used to repay outstanding debt on assets financed from loans, as permitted by the regulations.

6.3 Revenue Funding

Revenue resources may be used to fund capital expenditure. This may be via earmarked reserves such as the capital reserve which is an internal fund set up to finance capital expenditure as an alternative to external borrowing.

The Chief Finance Officer will take an overview and decide the most appropriate way of using such revenue resources, taking into account the strategy regarding the levels of general and earmarked reserves.

6.4 Prudential/Unsupported Borrowing

Capital projects that cannot be funded from any other source can be funded from borrowing. Local Authorities can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. This borrowing may also be referred to as Prudential Borrowing.

The Council's Minimum Revenue Provision Policy sets out a prudent approach to the amount set aside for the repayment of debt. The borrowing costs are not supported by the Government so the Council needs to ensure it can afford the interest and repayment costs from existing revenue budgets or must see this as a key priority for the budget process and be factored into the medium term financial strategy accordingly.

The Chief Finance Officer will make an assessment of the overall prudence, affordability and sustainability of the total borrowing requested. The impact of this borrowing will be reported in the Treasury Management Strategy alongside the Prudential Indicators required by CIPFA's Prudential Code for Capital Finance.

Should the requested borrowing levels be unaffordable or not prudent, then the schemes will be prioritised against the available funding from borrowing as determined by the assumptions factored into the Medium Term Financial Forecast.

Members approve the overall borrowing levels at the budget meeting in February each year as part of the Treasury Management Report. The taking of loans then becomes an operational decision for the Chief Finance Officer who will decide on the basis of the level of reserves and money market position whether borrowing should be met internally (from the running down cash balances) or whether to enter into external borrowing.

Whether capital projects are funded from grant, contributions, capital allocations or borrowing, the revenue costs must be able to be met from existing revenue budgets or identified (and underwritten) savings or income streams.

7 Prioritisation of capital investment

Capital investment is key to the delivery of the Council's ambition and desired outcomes and can be a means to contribute to the achievement of revenue sustainability and local or regional growth ambition. However, there will inevitably be a gap between the capital investment programme ambition and the available resources, which are finite and there is a limit on the number and value of schemes that are affordable and deliverable.

Therefore capital investment proposals will need to be prioritised to ensure that resources are being directed into projects that will achieve our ambition and improve outcomes for local people. These priorities may include the following:

Achievement of the Council's strategic outcomes for Southend 2050:

- Homes which meet local needs;
- Key regeneration projects;
- Supporting growth in key sectors;
- Town centre vitality;
- Leisure and cultural projects;
- Transport and accessibility;
- Green city projects;
- Schools and skills;
- Health and active lifestyles;
- Social care;
- Land acquisition and commercial investment;
- Financial self-sufficiency.

Enabling works:

- Maintenance of the essential infrastructure of the organisation;
- Essential Health and Safety works;
- Rolling programmes essential to the day to day operation of the Council;
- Service redesign and transformation – investment in technology;

Political priorities:

- 2050 roadmap;
- CMT/Cabinet priorities;

8 Building a pipeline of projects

8.1 Identifying the need for Capital Expenditure/Investment

The need for capital investment may be identified through one or more of the following processes.

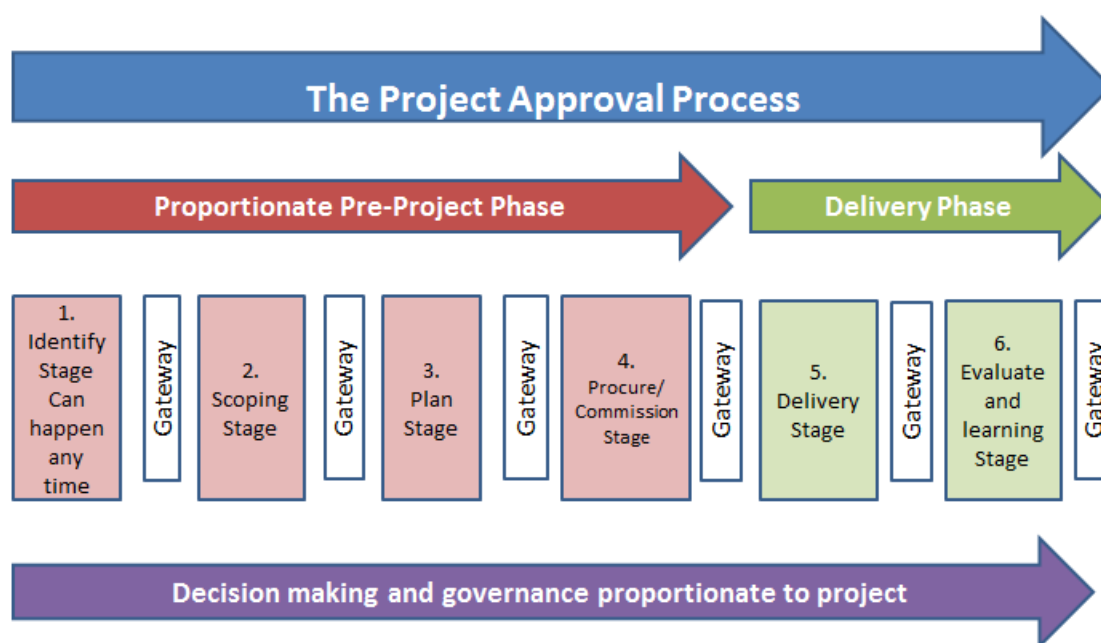
- Service areas prepare plans for the delivery and improvement of their services which align with or enable the 2050 outcomes;
- The Corporate Asset Management Strategy and the Education and Schools Asset Management Plans highlight deficiencies in the condition,

suitability and sufficiency of the Council's existing building stock and identify future areas of need;

- The Housing Asset Management Plan highlights deficiencies in the condition, suitability and sufficiency of the Council's existing housing stock and identifies future areas of need;
- The Transport Asset Management Plan is the Council's primary transport asset planning tool to ensure the highway infrastructure and public realm is managed sustainably and in a way that underpins the wider corporate outcomes;
- Reviews and external Inspections may also identify areas that need capital investment;
- The need to respond to Government initiatives and new laws and regulations;
- The need to generate a revenue income to contribute to the delivery of desired outcomes.

8.2 The Project Approval Process

The agreed process should include gateway review stages when the proposal can be reviewed and a decision made whether to proceed to the next stage. The decision making and governance process should be proportionate to the scale and impact of the project being put forward for approval. The following diagram shows the project approval process used for capital investment proposals:



The project approval process divides the project's lifecycle into six stages. The first four involve gathering the business case information that gives the Council confidence that the project should be implemented. The final stages cover project implementation and post-project evaluation. A potential 'Decision Gateway' separates each stage.

This incremental approach provides regular opportunities for the Council to review progress and check that projects are still on track. It also avoids unnecessary resource being spent developing potential projects beyond the point at which a decision could be made that they are unlikely to be viable (potentially because needs or priorities have changed or available solutions are unlikely to offer value for money). Feasibility studies will be used where appropriate.

Whilst all projects consider the same basic questions as they pass through each stage, the level of information that must be gathered, and the number of formal approvals required for a project to progress, will vary significantly depending on the scale of the project.

8.3 Proportionality

Projects will be categorised as major, mid or minor, depending on the assessment of the following criteria to determine the scale and impact of the proposal:

- Level of contribution to the 2050 outcomes;
- Impact on the organisation to deliver the project;
- Potential impact of project failure on the Council's reputation;
- Statutory or regulatory context;
- The scope of stakeholders or partnerships involved;
- Contract complexity;
- Project costs;
- The timescales involved;

This categorisation will determine the level of detail needed to progress through the gateway stages.

8.4 Developing the business case

The business case would be developed incrementally with the amount of detail dependent on the scale and impact of the project and with more detail added as the business case matures through the gateway stages. Each business case covers five areas:

- Strategic case – demonstrating the fit with investment priorities;

- Economic case – demonstrating that the project provides value for money;
- Financial case – demonstrating that the project is prudent, affordable and sustainable (including the revenue implications);
- Commercial case – demonstrating that the project is commercially viable;
- Management case – demonstrating that the project will be delivered effectively;

For the financial case due consideration should be given to:

Prudence:

- Recognition of the ability to prioritise and refocus following transformation work;
- Recognition of the capacity in the organisation to deliver such a programme;
- Recognition of the knowledge and skills available and whether these are commensurate with the appetite for risk;
- The approach to commercial activities including ensuring effective due diligence, expert advice and scrutiny, defining the risk appetite and considerations of proportionality in respect of overall resources;
- The approach to treasury management and the management of risk as set out in the Treasury Management Strategy.

Affordability:

- Revenue impact of the proposals on the Medium Term Financial Strategy;
- The borrowing position of the Council, projections of external debt and the use of internal borrowing to support capital expenditure;
- The authorised limit and operational boundary for the following year;
- Whether schemes are profiled to the appropriate financial year.

Sustainability:

- Recognition of the objective of the Sustainability Strategy;
- A long-term view of capital expenditure plans, where long term is defined by the financing strategy of and risks faced with reference to the life of the project/assets;
- Provision for the repayment of debt over the life of the underlying debt as set out in the Minimum Revenue Provision policy;
- An overview of asset management planning including maintenance requirements and planned disposals.

All project proposals are submitted using the agreed template that captures the information necessary to have a structured approach that provides:

- Proper definition to projects, making sure it is clear what will be delivered, by when, and with what resource and that appropriate approvals have been given;
- Clear roles and responsibilities, and clear delegation of responsibility;
- Controls to provide early warnings of deviation from the plan, as well as risks and issues, and a way of managing them;
- Good communication channels, making sure management and stakeholders are involved at the right time in the right way;
- Regular reviews of the project to make sure it is still viable, worthwhile and deliverable;
- A common language across the Council and a process that is repeatable;

Whilst this approach will not guarantee that every project will be successfully delivered, having a consistent approach to managing projects will mean that:

- All projects are prioritised using a consistent and coherent set of standards and based on a sound business case;
- Projects are more likely to contribute to Southend 2050 priorities and service improvement;
- Projects are more likely to be delivered on time and within budget;

The template includes for each project or scheme:

- Strategic objectives;
- Critical success factors;
- Options or approaches considered;
- Expected benefits;
- Timescales and plan;
- Programme structure;
- Stakeholder/Partnerships;
- Financial business case;
- Risks/Dependencies/Assumptions/Constraints;
- Impact;

8.5 Risk Management

Risk is the threat that an event or action will adversely affect the Council's ability to achieve its desired outcomes and to execute its strategies successfully.

Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of managing them and/or responding to them. It is both a means of minimising the costs and disruption to the organisation caused by undesired events and of ensuring that staff understand and appreciate the element of risk in all their activities.

The aim is to reduce the frequency of adverse risk events occurring (where possible), minimise the severity of their consequences if they do occur, or to consider whether risk can be transferred to other parties. The corporate risk register sets out the key risks to the successful delivery of the Council's corporate aims and priorities and outlines the key controls and actions to mitigate and reduce risks, or maximise opportunities.

To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored.

It is important to identify the appetite for risk by each scheme and for the capital investment programme as a whole, especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle applies of control of risk and optimising returns consistent with the level of risk.

Risk appetite:

The Council accepts there will be a certain amount of risk inherent in delivering the desired outcomes of the 2050 Ambition. The Council seeks to keep the risk of capital projects to a low level whilst making the most of opportunities for improvement. Where greater risks are identified as necessary to achieve desired outcomes, the Council seeks to mitigate or manage those risks to a tolerable level. All key risks identified as part of the capital planning process are considered for inclusion in the corporate risk register.

The Chief Finance Officer will report explicitly on the deliverability, affordability and risk associated with the Capital Investment Strategy. Where appropriate he will have access to specialised advice to enable them to reach their conclusions.

9 Governance processes

The governance structure of the Council has the Corporate Management Team that takes a high level strategic and group view on the capital investment programme.

Before any project can enter the procurement or delivery phase approval must be obtained from full Council to include it in the capital investment programme. This can be achieved by taking proposals through the Cabinet and Scrutiny process, either as part of the annual budget round or throughout the year so that schemes enter the programme at the required time.

9.1 Approval via the annual budget round

Corporate Management Team will consider any proposals from a corporate priority perspective. As part of the budget process Executive Briefing (EB) meetings enable Cabinet Members to be briefed and understand the expected outcomes and the budget consequences, both revenue and capital, of completing the scheme. Where appropriate schemes will be reported to Members based on the schemes being subject to external funding or viable business case approval.

The Chief Finance Officer will consider the proportionality of the proposals as a whole in respect of overall resources and longer term sustainability and risk. The Chief Finance Officer will also take an overall view on the prudence, affordability and sustainability of the overall borrowing level if all proposals are accepted.

The Cabinet receive the capital investment programme in draft in January each year which is then subject to scrutiny via all the relevant scrutiny committees. Then the Cabinet receive the updated capital investment programme in February each year and in turn make their recommendations to full Council.

9.2 Approval throughout the year

New schemes can be added throughout the year as appropriate, for urgent or service critical schemes or when gateway stages are successfully completed. Project proposals are submitted to the Investment Board, one of the five Governance Boards established as part of the organisations condition of simple and effective governance. Investment Board takes a strategic view of capital investment in line with the Southend 2050 ambition and acts as the advisory body to CMT and Cabinet for all capital investment projects.

Using the proportionate approach outlined earlier, the Investment Board will consider all business cases for project proposals. The Board will either:

- reject the proposal and give the reasons for this;
- recommend that the proposal is delayed to ensure business alignment;
- refer the proposal to another Governance Board for further consideration;
- ask for further clarification and assurances;

- agree that a feasibility study would be the most appropriate way forward;
- agree that the project can proceed to the next Gateway stage;
- agree whether bids for new capital grants/funding can be submitted;
- make recommendations to Cabinet for approval of the project or feasibility study in line with financial regulations.

Once the Council has approved the capital investment programme, then expenditure can be committed against the approved schemes subject to the normal contract procedure rules and the terms and conditions of funding.

10 Monitoring the progress of delivery

It is important that the progress of the delivery of the capital investment programme can be properly monitored. This is approached in several ways:

10.1 Investment Board

The Board will challenge the existing capital investment programme as part of the redirection and re-prioritisation of resources. This will be particularly important where capital projects are not delivering to time and/or budget and where appropriate the Board will seek project evaluation updates or commission post completion reviews.

10.2 Capital Challenge meetings

At appropriate times throughout the year capital challenge meetings will be undertaken, led by the Cabinet member with responsibility for the capital investment programme. The aim of these challenge meetings is to ascertain whether: any projects:

- Any projects are not aligned to the delivery of the Southend 2050 outcomes and can be removed from the programme;
- Any projects or reduction in funding of a project that can be withdrawn from the programme;
- Any project budgets need to be re-profiled to better align them to the predicted spend across the years of the programme;
- Any projects currently funded by borrowing that can be alternatively financed;

- The actual physical progress of each scheme (e.g. out to tender, site assembly, on site, etc.) and whether the current year's budget will be spent.

10.3 Capital budget performance reports

Capital expenditure and its financings are monitored monthly, with the expenditure to date identified and projected to year end to forecast the outturn position based on project managers' realistic expectation.

The capital budget performance is reported to Cabinet four times a year (via CMT and EB) with a commentary on scheme progress. One of these reports is to inform members of the capital investment programme outturn. These reports include recommendations to approve the requested changes to the programme such as proposed re-profiles of scheme budgets across financial years, new schemes, deletions, virements of budget between schemes or additions where new external funding has been received. These changes are either as a result of recommendations from Investment Board, the outcome of capital challenge meetings, the year end closure procedures or identified in the normal course of the monthly budget performance monitoring.

A summary of the capital budget performance is also reported to CMT for the months when it does not go to Cabinet.

11 Multi-Year Schemes

Payments for capital schemes often occur over many years, depending on the size and complexity of the project. Therefore, estimated payment patterns are calculated for each project so that the expected capital expenditure per year is known. This is called a cash flow projection or budget profiling.

The length of the planning period should be defined by the financing strategy and the risks faced with reference to the life of the project/assets. For example some schemes may span two or three years (e.g. building an extension to a school) whereas others may be over much longer timeframes (e.g. the 30 year business plan for the HRA decent homes programme).

The approval of a rolling multi-year capital investment programme assists the Council in a number of ways. It assists service managers, allowing them to develop longer term capital plans for service delivery.

It allows greater flexibility in planning workloads and more certainty for preparation work for future schemes. It will also allow greater integration of the

revenue budget and capital investment programme. It also matches the time requirement for scheme planning and implementation since capital schemes can have a considerable initial development phase.

12 Other Considerations

The Council has a Procurement team that ensures that value for money is provided and to see where efficiency savings can be achieved. This also covers capital procurement. It is essential that all capital procurement activities comply with prevailing regulations and best practice and with the Councils policies and regulations such as Contract Procedural Rules and Financial Regulations.

The main aim is to hold 'value for money' as a key goal in all procurement activity to optimise the combination of cost and quality.

Capital Schemes must also comply with legislation, such as the Disability Discrimination Act, the General Data Protection Regulations (GDPR), building regulations etc.

January 2020

SOUTHEND-ON-SEA BOROUGH COUNCIL

CAPITAL INVESTMENT POLICY

1 Scope of this policy

- 1.1 This investment policy covers capital investments, including service and commercial investments and loans. (Treasury Management investments are covered by the Annual Treasury Management Investment Strategy, which forms part of the Treasury Management Strategy.)

2 Investment Objectives

- 2.1 The underlying objectives for these investments will be:
- Security – protecting the capital sum invested from loss;
 - Liquidity – ensuring the funds invested are available for expenditure when needed;
 - Yield – consideration of the yield obtainable consistent with proper levels of security and liquidity.
- 2.2 Due to the nature of the assets or for valid service reasons, such investments do not always give priority to security and liquidity over yield. In these cases, such a decision will be explicit, with the additional risks set out and the impact on financial sustainability identified and reported.

3 Policy regarding capital investments

- 3.1 Capital investment will only be undertaken if it contributes to the delivery of Southend 2050 and the Council's ambition, strategic delivery plans and desired outcomes.
- 3.2 Before capital investments can be entered into they must be included as part of the approved capital investment programme, either directly or via a pooled budget (e.g. commercial property).
- 3.3 The Council's risk appetite and approach to risk management for capital projects is set out in the risk management section of the Capital Investment Strategy.
- 3.4 The Chief Finance Officer will ensure that the Council has the appropriate legal powers to undertake such investments. Annex A sets out each type of investment, the primary purpose and the legal powers to be used.

- 3.5 The Chief Finance Officer will ensure the proportionality of all investments so that the Council does not undertake a level of investing which exposes it to an excessive level of risk compared to its financial resources.

4 Service investments

- 4.1 These will be investments held clearly and explicitly in the course of the provision and for the purposes of operational services, including regeneration.

5 Commercial investments

- 5.1 These will be investments entered into as part the Council's wider strategy, for example economic development and growth. These may include investments arising as part of business structure, such as shares and loans in subsidiaries or other outsourcing structures such as IT providers or building services providers.
- 5.2 These may be investments that include an aim of making a financial surplus for the Council, but this may or may not be the primary purpose of the investment.
- 5.3 Commercial investments may also include fixed assets which are held primarily for financial benefit, such as investment properties.
- 5.4 The Council's Commercial Property Investment Strategy (including the purpose of the Investment Portfolio) is set out in the Corporate Asset Management Strategy. Appendix 3 of that strategy sets out the Investment Property Selection Criteria.
- 5.5 The Chief Finance Officer will assess the extent to which the Council's balanced budget and Council Tax setting is dependent on returns from commercial investments.

6 Loans

- 6.1 These may be loans to local enterprises, local charities or third sector bodies, wholly owned companies and joint ventures. They may not all be seen as prudent if adopting a narrow definition of prioritising security and liquidity but would be entered into as part the Council's wider strategy, for example economic development and growth.
- 6.2 Such loans will only be entered into if the Chief Finance Officer is satisfied that the financial exposure to these types of loans is proportionate and that the expected credit losses have been appropriately assessed in accordance with International Financial Reporting Standard (IFRS) 9 Financial Instruments.
- 6.3 Any overdue payments would be recovered using the credit control arrangements set out in the Council's Debt Management Strategy.

- 6.4 The total level of loans will be formally agreed as part of the process for inclusion in the capital investment programme.

7 Financing of Investments

- 7.1 As capital investments the above will be financed by any of the sources in the funding strategy section of the Capital Investment Strategy.
- 7.2 Where the secondary purpose of commercial property investments and loans is to generate an income stream the Chief Finance Officer may choose to finance these capital investments by borrowing. Where this is the case the Chief Finance Officer will set out the rationale for doing so and how the risks of the investment are to be managed (e.g. risk of not achieving the desired returns or the risk of the borrowing costs increasing) and that all the appropriate due diligence has been undertaken.

8 Due Diligence

- 8.1 For all capital investments, the appropriate level of due diligence will be undertaken with the extent and depth reflecting the level of additional risk being considered.
- 8.2 Due diligence process and procedures may include:
- effective scrutiny of proposed investments by the relevant committee;
 - identification of the risk to both the capital sums invested and the returns;
 - understanding the extent and nature of any external underwriting of those risks;
 - the potential impact on the financial sustainability of the Council if those risks come to fruition;
 - identification of the assets being held for security against debt and any prior charges on those assets;
 - where necessary independent and expert advice will be sought.
- 8.3 The Chief Finance Officer will ensure that Members are adequately informed and understand the risk exposures being taken on.

9 Governance and Scrutiny of Capital Investments

- 9.1 The approach to capital investment is set out in the Corporate Asset Management Strategy and includes Members and Chief Officers at key stages.

- 9.2 Significant or strategic capital investments will be overseen by the Corporate Management Team (CMT) and the appropriate Governance boards and managed by project boards and teams appropriate to the scale of the investment.
- 9.3 The Investment Board (and CMT where appropriate) will agree which projects should proceed to Cabinet for decisions and scrutiny and on to full Council for approval as part of the capital investment programme.
- 9.4 For Commercial Property Investment an overall budget will be put forward for approval as part of the capital investment programme and individual properties can then be acquired within that budget envelope. Decisions will need to be made commercially and often quickly and efficiently and will be taken by the Chief Finance Officer in accordance with their delegated authority set out in the Council's Constitution. These decisions will be included as part of the next scheduled capital reporting to Cabinet.

Type of investment	Primary purpose	Secondary purpose	Legal power to undertake investment
Service investments	Contribute to the delivery of Southend 2050 and the Council's ambition, strategic delivery plans and desired outcomes.	Provision of operational services, including regeneration	Notes 1 and 2
Commercial property investments		To generate an income stream	Notes 1, 2 and 5
Commercial investments		To support wider strategy	Notes 1, 2 and 3
Loans		To generate an income stream	Notes 1, 2 and 4
Loans		To support wider strategy	Notes 1, 2 and 4

Note 1 – Capital expenditure defined in S16 of Local Government Act 2003.

Note 2 – Power to borrow – S1 of Local Government Act 2003.

Note 3 - The Local Authorities (Capital Finance and Accounting (England) Regulations 2003 – section 25(1)(d) – the acquisition of share capital or loan capital in any body corporate

Note 4 – The Local Authorities (Capital Finance and Accounting (England) Regulations 2003 – section 25(1)(b) – the giving of a loan, grant or other financial assistance to any person, whether for use by that person or by a third party, towards expenditure which would, if incurred by the authority, be capital expenditure.

Note 5 – The Council can build and manage an investment portfolio under the general power of competence set out in Section 1 of the Localism Act 2011. In accordance with this Act, the Council has the legal powers to purchase assets inside or outside the borough (or the UK) and manage them for investment and commercial gain.

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CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

1. Summary of Proposed Investment





Theme	Proposed Investment (£)	Proposed investment subject to viable business cases (£)	Total (£)
Pride and Joy	5,335,000	-	5,335,000
Safe and Well	17,600,000	-	17,600,000
Connected and Smart	3,200,000	-	3,200,000
Opportunity and Prosperity	7,810,000	-	7,810,000
Enabling	13,165,000	1,780,000	14,945,000
Total	47,110,000	1,780,000	48,890,000

	2020/21 (£'000)	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)	5 Year Total (£'000)
Proposed investment each year	17,600	12,510	6,980	2,600	9,200	48,890






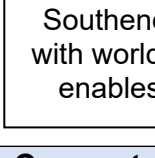
2. Proposed Investment by Southend 2050 Theme

Theme		Total (£)	Proposed Initiatives
	C1	5,335,000	<p>Southend Pier – Condition Works (20/21 - £335,000, 21/22 to 24/25 - £1,250,000 p.a.)</p> <p>This investment is to deliver the ongoing planned approach to addressing the condition works and bearing refurbishment identified within the condition survey. This proactive approach reduces the requirement for urgent and/or reactive condition works and ensures the integrity of this landmark structure that helps drive millions of visitors to Southend-on-Sea each year.</p> <p>This investment is in addition to the £915,000 budget already in the approved capital investment programme for 20/21, funded from corporate borrowing.</p>
<p>The variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors</p>			
Pride and Joy	Total	5,335,000	
	C2	9,500,000	<p>HRA Affordable Housing Acquisitions Programme (20/21 - £5,000,000, 21/22 - £3,000,000, 22/23 - £1,500,000)</p> <p>Housing is a clear priority of this council and through purchasing suitable private homes for council use, the acquisitions programme is already helping to ensure that everyone has a home that meets their needs, including those with complex needs.</p> <p>It is 30% financed by retained Right to Buy capital receipts. To ensure all these receipts can be used within the timeframes set by central Government the above amount needs to be spent during the next three financial years with targets in each quarter. The balance of 70% is financed from the HRA capital investment reserve.</p>
<p>We are well on our way to ensuring that everyone has a home that meets their needs.</p>			





CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**

			If the Council exceeds any of the quarterly targets the excess will count towards the next quarter. As conveyancing time frames cannot be guaranteed the timing of these budgets plan to exceed the targets rather than to just meet them, in case any of the planned property purchases do not proceed.
 <p>We are well on our way to ensuring that everyone has a home that meets their needs.</p>	C3	6,600,000	HRA Future Investment Programme <i>(24/25 - £6,600,000)</i> The investment relates to <ul style="list-style-type: none"> • continuing of the Decent Homes programme to bring the housing stock to decency levels; • common area improvements; • environmental health & safety works; • disabled adaptations works; These works are wholly funded through the HRA, from the Major Repairs Reserve.
 <p>People in all parts of the borough feel safe and secure at all times</p>	C4	650,000	Junction Protection <i>(20/21 and 21/22 - £325,000 p.a.)</i> Ensuring road safety for pedestrians and road users is vital and this investment is to install road junction protection at approximately 75 locations to help prevent obstructive and indiscriminate parking. This will help to improve sightlines for drivers and pedestrians and help improve the safety of all road users, whilst also aiding accessibility for all but particularly those with mobility impairments.
 <p>People in all parts of the borough feel safe and secure at all times</p>	C5	600,000	Zebra Crossing Surfacing Replacement <i>(20/21 to 22/23 - £200,000 p.a.)</i> Ensuring road safety for pedestrians and road users is vital and this investment is for the removal of existing anti-skid surfacing and replacement with a high friction road surface at 66 sites across the Borough, almost a quarter of the sites currently in need of re-instatement. The new surface has a greater life expectancy and provides an enhanced surface for drivers to brake under emergency conditions at hazardous locations. A formal audit will be undertaken and work will be prioritised at crossing points on main traffic routes and close to primary and secondary schools over a three year replacement programme.
 <p>We act as a green city with outstanding examples of energy efficient streets.</p>	C6	250,000	Street Lighting <i>(21/22 to 22/23 - £125,000 p.a.)</i> This investment is to extend the programme of street lighting infill for a further two years to deliver approximately another 100 new lighting columns. This investment is in addition to the £252,000 budget already in the approved capital investment programme for 19/20 and 20/21, funded from corporate borrowing.
Safe and Well	Total	17,600,000	







CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**

	C7	500,000	Car Park Resurfacing <i>(20/21 to 21/22 - £250,000 p.a.)</i>
<p>It is easier for residents, visitors and people who work here to get in and around the borough.</p>			<p>This investment is to resurface and re-line car parks which have been surveyed and deemed to require work over the next two years. These include Alexandra Street, Clarence Road, Hamlet Court, Warrior Square and Fairheads Green.</p>
			<p>Investing in parking infrastructure and ensuring car parks are attractive and well looked after, will ensure better use and reduce the risk of loss of income from parking. This is an important component in implementing our Car Parking Strategy across the Borough.</p>
	C8	1,000,000 Roadmap 2020: 	Carriageways and Footways Improvements <i>(20/21 - £1,000,000)</i>
<p>It is easier for residents, visitors and people who work here to get in and around the borough.</p>			<p>Improving local roads and pavements is a priority for local people and for this council. This investment is to improve the highways infrastructure, reduce long term structural maintenance and improve public safety. This is in addition to the budget of £2million already in the approved capital investment programme in 20/21, funded by corporate borrowing.</p>
			<p>The total £3m programme of works includes 43 of the highest priority roads and footways that need repair, across a range of wards. This is the start of more major investment across future years that will be needed to enable all the highest priority roads and footways to be brought up to standard across the borough.</p>
	C9	450,000 Roadmap 2020: 	Improve Footway Condition around Highway Trees <i>(20/21 to 22/23 - £150,000 p.a.)</i>
<p>It is easier for residents, visitors and people who work here to get in and around the borough.</p>			<p>This investment is to improve the condition of footways around existing highway trees and ensure effective remedial works after the removal of highway trees. This will contribute to revenue savings for highways works. This level of investment should enable improvements at approximately 400 tree sites per year.</p>
	C10	1,250,000	ICT – Connected and Smart <i>(20/21 - £350,000, 21/22 to 22/23 - £450,000 p.a.)</i>
<p>Southend is a leading digital city with world class infrastructure that enables the whole population.</p>			<p>This investment is to provide a cohesive, centralised ICT response, benefitting a number of key activities that contribute to the 2050 ambition for Connected and Smart. It includes considerations such as smart parking, connected and smart care homes and data warehousing and analytics. This investment will provision a centralised 'Internet of Things' platform capable of supporting the 2050 ambition.</p>
Connected and Smart	Total	3,200,000	






CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**

 <p>Roadmap 2020:</p> 	C11	2,600,000	<p>Schools – Improvement and Provision of Secondary School Places (20/21 - £2,000,000, 21/22 - £600,000)</p> <p>This investment is to continue the ongoing investment to ensure that every secondary aged pupil who lives in Southend can access a school place if they request one. By ensuring that there are sufficient places in local schools, within good quality buildings, pupils will gain better education outcomes, thus increasing aspirations and opportunities to continue into higher and further education and then into employment.</p> <p>Expansions projects so far have been completed at The Eastwood Academy, Shoeburyness High School and Cecil Jones Academy. There are also ongoing projects at St Bernard's High School, St Thomas More High School and Belfairs Academy to ensure sufficient accommodation for the extra pupils they started to admit from September 2018.</p> <p>This additional funding will allow completion of phase 2 works at Chase High School so they can admit an extra 30 pupils in September 2020 followed by a second increase of 30 in September 2021. Once completed the whole expansion programme will have added 1,250 places across years seven to eleven by September 2024. The programme will have provided sufficient places and a small level of surplus as required by the Department for Education that gives families and children some choice.</p> <p>This is funded from Government Grant (subject to final Government capital funding announcements) with corporate borrowing used until the funding is received;</p>
	C12	1,290,000	<p>Schools – Condition Works (20/21 - £290,000, 21/22 to 22/23 - £500,000 p.a.)</p> <p>This investment is for condition works at Children Centres and emergency works at schools. These are mainly larger, urgent projects to be agreed between the Council's property team and head teachers.</p> <p>This is funded from Government Grant (subject to final Government capital funding announcements).</p>
	C13	300,000	<p>Schools – Devolved Formula Capital (20/21 to 22/23 - £100,000 p.a.)</p> <p>This investment will be funded by Government grant and devolved directly to maintained schools to fund capital projects under their direction and control. It is an estimate at this stage for the next three years.</p> <p>This is funded from Government Grant (subject to final Government capital funding announcements).</p>

CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**

	C14	1,020,000 Roadmap 2020: 	Better Queensway – Programme Management <i>(20/21 - £540,000, 21/22 - £480,000)</i> Better Queensway is the largest housing and regeneration project the council has undertaken since the 1960's and this investment is vital to ensure the Council is able to support, hold accountable and work in partnership with Porter's Place Southend-on-Sea LLP and Swan Housing Association to deliver this project that will transform central Southend. Whilst this includes the costs of the Project Management Office, meeting the necessarily tight deadlines to keep the project to programme will require the ability to backfill on occasion. The external advisory team have also proved vital with their specialist knowledge and experience and so retaining their capacity, albeit on a diminishing basis, will provide the Partnership Board with the necessary support in managing the relationship with the LLP and in delivering the activities the Council is committed to.
	C15	2,600,000 Roadmap 2020: 	Better Queensway – Acquisition of Leasehold Properties <i>(20/21 - £800,000, 21/22 - £1,800,000)</i> This investment is to buy leasehold properties as they become available to facilitate the delivery of the Better Queensway regeneration project. The Council will finance the purchases initially and Porter's Place Southend-on-Sea LLP will reimburse the purchase cost and the associated financing costs.
Opportunity and Prosperity	Total	7,810,000	
	C16	2,400,000	Priority Works <i>(21/22 to 24/25 - £600,000 p.a.)</i> This investment is to ensure a £600,000 annual budget in this area is available to deal with any urgent or priority works to Council owned properties that may arise during the year.
	C17	3,750,000	Property Refurbishment Programme <i>(20/21 to 24/25 - £750,000 p.a.)</i> This investment is to enable the Council's Property and Estate Management service to take a proactive approach to maintaining the buildings for which it is responsible. This will

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25



			<p>ensure investment is made in the fabric and services within building before they get to a stage that capital works become urgent or have a detrimental impact on service users' use of the building or leads to urgent repairs and maintenance works which are usually more costs long term.</p> <p>This is a rolling programme with £676,000 currently in the approved programme for 2019/20, financed by borrowing.</p>
	C18	3,095,000	<p>ICT – Stabilise and Run <i>(20/21 - £785,000, 21/22 - £1,255,000, 22/23 - £1,055,000)</i></p> <p>This investment is to provide licensing compliance, third party infrastructure support and better resilience through improved/new hardware. It is also for the provision of a cost effective, fit for purpose, disaster recovery service designed to meet the Council's future requirements as it embarks on its digital journey.</p>
	C19	1,050,000	<p>ICT – Cybersecurity <i>(20/21 - £450,000, 21/22 to 22/23 - £300,000 p.a.)</i></p> <p>Cybersecurity presents a real risk to large organisations and this investment is to strengthen and enhance ICT security to mitigate key risks identified in a recent security assessment and bring cyber security up to industry standard. It will also enable improved real time alerting and monitoring leading to pro-active interventions that will minimise system outages.</p>
	C20	2,110,000	<p>ICT – Business Enablement <i>(20/21 - £1,735,000, 21/22 - £375,000)</i></p> <p>Much of the council's ICT equipment is coming to the end of its useful life and needs replacing through a phased programme. This investment is to fully modernise the council's 'laptop estate' (including in public buildings such as libraries) over the next two years, fully deploy Windows 10 and improve productivity by building a Cloud platform to manage the ICT estate.</p>
	C21	660,000	<p>ICT – Business Services <i>(20/21 - £660,000)</i></p> <p>This investment is for a new and enhanced applications migration platform for improved resilience and reliability. It also includes ICT business services relating to the parking contract renewal, a replacement for Symology and an uplift to the Schools Toolset.</p>
	C22	100,000	<p>Kiosks in Libraries <i>(20/21 - £100,000)</i></p> <p>The current kiosks are approaching the end of their useful life with an operating system that is now obsolete and no longer supported. The current kiosks also only allow library users to</p>

CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**






			pay fines by cash but not by card. If new kiosks are not installed, customers will not be able to self-serve the borrowing and returning of books. There is already £40k in the approved capital investment programme in 19/20, financed by corporate borrowing. This will be moved to 20/21 and this investment is the extra budget needed to deliver the scheme.
Enabling	Total	13,165,000	
		47,110,000	TOTAL CAPITAL INVESTMENT PROPOSALS

3. Proposed Investment Subject to Viable Business Cases

Viable business cases will need to be produced and approved before these schemes can progress and be brought into the capital investment programme.

Theme		Total (£)	Proposed Initiatives
	C23	1,780,000	<p>Crematorium Refurbishment (20/21 - £1,780,000)</p> <p>This proposed investment is to fully refurbish the current facilities to ensure the Council can continue to provide high quality crematorium services to local people. The works proposed include: replacement of the three existing cremators and the plant associated with them; rebuilding the chimney; structural and roof works; reconfiguration and upgrade of some front of house areas; reconfiguration of the back of house areas to accommodate new equipment and facilitate better working; resurfacing the parking area.</p> <p>The total investment will be £2,400,000 but there is currently £620,000 in the current programme that will be contributed to this overall cost and also allow the relevant feasibility and design works to commence.</p>
	C24		<p>East Beach Car Park Refurbishment</p> <p>This proposed investment is to upgrade the car park surface with tarmac, mark out parking spaces and to provide lighting to encourage users of Shoeburyness railway station to park there. The project will include provision of a new pathway from the station to the car park with appropriate lighting.</p>

CAPITAL INVESTMENT PROPOSALS**2020/21 to 2024/25**

 <p>People in all parts of the borough feel safe and secure at all times</p>	C25	<p>Roadmap 2019:</p> 	<p>Town Centre and Seafront Security Works</p> <p>A specification for a new High Street automated bollards system is being progressed. The implementation is due to be included with the Sunrise project work, which is due to start in early 2020. Budget estimates will follow in early 2020 once the final specification for this work has been agreed.</p> <p>For the seafront and other security measures there is a review to agree priority locations and develop specification for measures to be implemented. A programme and estimated budget will be proposed by early January 2020.</p>
 <p>We are all effective at protecting and improving the quality of life for the most vulnerable in our community</p>			<p>Shoebury Health Centre</p> <p>Discussions have been taking place with the CCG and in early 2020 pre workshop engagement sessions are planned with key partners in advance of the discovery period in January, which will long list options.</p> <p>During 20/21 further work will take place to consider viability assessments, to short list options and to agree a preferred option, for which an outline business case would be drawn up. In 21/22 the full business case would be then be compiled and considered with development anticipated in 23/24.</p>
 <p>It is easier for residents, visitors and people who work here to get in and around the borough.</p>		<p>Roadmap 2019:</p> 	<p>Car Park Provision</p> <p>A feasibility study has been commissioned and will report back on options by mid-March. This will look at multi-storey car park options at Tylers Avenue and two other possible sites in Leigh-on-Sea and include costs (construction and ongoing revenue), timescales and environmental factors such as air quality and traffic implications.</p>
		1,780,000	TOTAL SCHEMES SUBJECT TO VIABLE BUSINESS CASES (plus investment yet to be costed)

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

The annual profile of this total investment would be as follows;

Main programme:

Year	Pride and Joy £000	Safe and Well £000	Connected and Smart £000	Opportunity and Prosperity £000	Enabling £000	Total £000
2020/21	335	5,525	1,750	3,730	4,480	15,820
2021/22	1,250	3,650	850	3,480	3,280	12,510
2022/23	1,250	1,825	600	600	2,705	6,980
2023/24	1,250	-	-	-	1,350	2,600
2024/25	1,250	6,600	-	-	1,350	9,200
TOTAL	5,335	17,600	3,200	7,810	13,165	47,110

Subject to viable business cases:

Year	Pride and Joy £000	Safe and Well £000	Connected and Smart £000	Opportunity and Prosperity £000	Enabling £000	Total £000
2020/21	-	-	-	-	1,780	1,780
2021/22	-	-	-	-	-	-
2022/23	-	-	-	-	-	-
2023/24	-	-	-	-	-	-
2024/25	-	-	-	-	-	-
TOTAL	-	-	-	-	1,780	1,780

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

The funding by total cost of scheme would be as follows;

No.	Scheme name	General Fund Borrowing £000	General Fund Borrowing where financing costs to be met from savings/ income generation £000	Capital				Revenue per annum			
				General Fund External Funding £000	General Fund Existing Funding ⁽¹⁾ £000	Housing Revenue Account Self-Funded £000	Total £000	Corporate Financing Costs £000	Additional Budget for Service Costs £000	Service Savings / Income Generation £000	Total £000
C1 ¹⁸²	Southend Pier - Condition Works	5,335	0	0	0	0	5,335	373	0	0	373
	Pride and Joy Total	5,335	0	0	0	0	5,335	373	0	0	373
C2	HRA Affordable Housing Acquisition Programme	0	0	0	9,500	0	9,500	0	0	0	0
C3	HRA Future Investment Programme	0	0	0	0	6,600	6,600	0	0	0	0
C4	Junction Protection	650	0	0	0	0	650	46	0	0	46
C5	Zebra Crossing Surfacing Replacement	600	0	0	0	0	600	42	0	0	42
C6	Street Lighting	250					250	18	0	0	18

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

No.	Scheme name	General Fund Borrowing £000	General Fund Borrowing where financing costs to be met from savings/ income generation £000	Capital				Revenue per annum			
				General Fund External Funding £000	General Fund Existing Funding ⁽¹⁾ £000	Housing Revenue Account Self-Funded £000	Total £000	Corporate Financing Costs £000	Additional Budget for Service Costs £000	Service Savings / Income Generation £000	Total £000
	Safe and Well Total	1,500	0	0	9,500	6,600	17,600	105	0	0	105
C7	Car Park Resurfacing	500	0	0	0	0	500	35	0	0	35
C8	Carriageways and Footways Improvements	1,000	0	0	0	0	1,000	70	0	0	70
C9	Improve Footway Condition Around Highway Trees	450	0	0	0	0	450	32	0	0	32
C10	ICT - Connected and Smart	1,250	0	0	0	0	1,250	88	0	0	88
	Connected and Smart Total	3,200	0	0	0	0	3,200	224	0	0	224
C11	Schools - Improvement and Provision of Secondary School Places	0	0	2,600	0	0	2,600	0	0	0	0
C12	Schools - Condition Works	0	0	1,290	0	0	1,290	0	0	0	0

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

No.	Scheme name	General Fund Borrowing £000	General Fund Borrowing where financing costs to be met from savings/ income generation £000	Capital				Revenue per annum			
				General Fund External Funding £000	General Fund Existing Funding ⁽¹⁾ £000	Housing Revenue Account Self-Funded £000	Total £000	Corporate Financing Costs £000	Additional Budget for Service Costs £000	Service Savings / Income Generation £000	Total £000
C13	Schools - Devolved Formula Capital	0	0	300	0	0	300	0	0	0	0
C14	Better Queensway – Programme Management	970	0	50	0	0	1,020	71	5	0	76
C15	Better Queensway - Acquisition of Leasehold Properties	0	2,600	0	0	0	2,600	182	0	(182)	0
	Opportunity and Prosperity Total	970	2,600	4,240	0	0	7,810	250	5	(182)	73
C16	Priority Works	2,400	0	0	0	0	2,400	168	0	0	168
C17	Property Refurbishment Programme	3,750	0	0	0	0	3,750	263	0	0	263
C18	ICT - Stabilise and Run	3,095	0	0	0	0	3,095	217	0	0	217
C19	ICT- Cybersecurity	1,050	0	0	0	0	1,050	74	0	0	74
C20	ICT - Business	2,110	0	0	0	0	2,110	148	0	0	148

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

No.	Scheme name	General Fund Borrowing £000	General Fund Borrowing where financing costs to be met from savings/ income generation £000	Capital				Revenue per annum			
				General Fund External Funding £000	General Fund Existing Funding ⁽¹⁾ £000	Housing Revenue Account Self-Funded £000	Total £000	Corporate Financing Costs £000	Additional Budget for Service Costs £000	Service Savings / Income Generation £000	Total £000
	Enablement										
C21	ICT - Business Services	660	0	0	0	0	660	46	0	0	46
C22	Kiosks in Libraries	100	0	0	0	0	100	7	0	0	7
	Enabling Total	13,165	0	0	0	0	13,165	922	0	0	922
	Overall Total	24,170	2,600	4,240	9,500	6,600	47,110	1,874	5	(182)	1,697

Note 1- Capital receipts or revenue contributions to capital including from earmarked reserves

Note 2 – Unless shown as additional budget for service costs above, the running costs of these schemes will be met from existing budgets

CAPITAL INVESTMENT PROPOSALS
2020/21 to 2024/25

No.	Schemes Subject to Viable Business Cases:	Capital						Revenue per annum			
		General Fund Borrowing £000	General Fund Borrowing where financing costs to be met from savings/income generation £000	General Fund External Funding £000	General Fund Existing Funding ⁽¹⁾ £000	Housing Revenue Account Self-Funded £000	Total £000	Corporate Financing Costs £000	Additional Budget for Service Costs £000	Service Savings / Income Generation £000	Total £000
C23	Crematorium Refurbishment	1,780	0	0	0	0	1,780	125	0	0	125
186	Schemes Subject to Viable Business Cases Total	2,080	0	0	0	0	1,780	125	0	0	125

SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME

Appendix 11

Summary

	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Approved Capital Investment Programme - November Cabinet	79,826	97,336	34,452	8,847	7,605	0	228,066
Fire Improvement Works - agreed at September Cabinet	0	0	0	0	0	750	750
Carry Forwards	(8,716)	(5,624)	3,069	2,171	2,000	7,100	0
Accelerated Deliveries	1,068	(4)	(1,064)	0	0	0	0
Schemes Removed from Programme	(1,381)	(132)	0	0	0	0	(1,513)
Virements	0	0	0	0	0	0	0
Transfer from 'Subject to Viable Business Case'	0	1,200	0	0	0	0	1,200
Transfer to 'Subject to Viable Business Case'	(620)	0	0	0	0	0	(620)
Proposed New Investment	0	15,820	12,510	6,980	2,600	9,200	47,110
Proposed Investment Programme - following amendments	70,177	108,596	48,967	17,998	12,205	17,050	274,993
Current Investment Subject to Viable Business Cases	100	2,052	9,000	11,742	0	0	22,894
Proposed New Investment Subject to Viable Business Cases	0	1,780	0	0	0	0	1,780
Schemes Subject to Viable Business Cases	100	3,832	9,000	11,742	0	0	24,674
Current Investment Subject to Viable Business Cases - not allocated to a year							22,278

SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME

Appendix 11

Carry Forwards to Future Years

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Common Areas Improvement	(200)	200					0
Children's Residential Care Provision	(685)	685					0
Community Capacity	(125)	125					0
Delaware and Priory New Build	(2,700)	2,500	200				0
AHDC Short Breaks for Disabled Children	(64)	64					0
Mental Health Funding Stream	(36)	36					0
Transforming Care Housing	(162)	162					0
Fairways Primary Roof	(15)	15					0
Fairways Primary Pipe Works	(26)	26					0
Southend Pier - Pier Pavilion Platform Design	(127)	127					0
Better Queensway	(500)	(12,600)	2,000	2,000	2,000	7,100	0
Allotments Water Supply Upgrade	(113)	57	56				0
Playground Gates	(123)	123					0
Sidmouth Park - Replacement of Play Equipment	(50)	50					0
Shoebury Common Regeneration	(236)	236					0
Southend Cliffs - Reaplcement of Handrails	(16)	16					0
Kiosks in Libraries	(40)	40					0
Library Review	(179)	179					0
Palace Theatre - Power Supply Equipment	(25)	25					0
Improved Car Park Signage and Guidance Systems	(215)	215					0
Traffic Signs Upgrade	(100)	100					0
LTP (Integrated Transport block) - Better Networks	(50)	50					0
LTP (Integrated Transport block) - Better Sustainable Transport	(335)	335					0
LTP (Integrated Transport block) - Traffic Control Systems	(200)	200					0
Local Growth Fund - A127 Growth Corridor	(300)	300					0
Parking Strategy	(50)	50					0
Southend Transport Model	(266)	56	105	105			0
Improving Resilience of the Borough to Flooding from Extreme Weather Events	(35)	35					0
CCTV Equipment Renewal	(660)	(106)	700	66			0
Belfairs Park Restaurant/Golf Club Preventative Works	(55)	55					0
Civic Centre Boilers	(259)	259					0
ICT Children's & Adult Social Care Development of Liquid Logic	(200)	200					0
Energy Efficiency Projects	(78)	78					0
Solar PV Projects	(438)	438					0
S106 Avenue Works	(15)	15					0
S106 Sunlight Ldry	(3)	3					0
S278 Bellway Homes		(8)	8				0
Futures Demolition	(35)	35					0
Total Carry Forwards	(8,716)	(5,624)	3,069	2,171	2,000	7,100	0

SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME

Appendix 11

Accelerated Deliveries

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
School Improvement and Provision of School Places	900	(900)					0
Cliffs Pavilion – Chiller	25	(25)					0
Flood Prevention Works	110		(110)				0
Carriageways and Footways Improvements		1,000	(1,000)				0
Real Time Air Quality Measurement - Feasibility	2	(2)					0
S38 Bellway Homes	25	(71)	46				0
S38 Fossetts (const&maint fee)	6	(6)					0
Total Accelerated Deliveries	1,068	(4)	(1,064)	0	0	0	0

Schemes Removed from Programme

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Southchurch Park Tow Path	(4)						(4)
Make Southend Sparkle	(18)						(18)
Shoeburyness Leisure Centre Building Management	(18)						(18)
Palace Theatres Asbestos Safety Curtain	(2)						(2)
Commerical Property Investment	(9)						(9)
Herbert Grove Security	(4)						(4)
Relocation of START	(17)						(17)
ICT Central Government IT Security Compliance	(139)						(139)
ICT Health and Social Care GovRoam	(20)						(20)
Mobile Device End Point Protection Replacement	(1)						(1)
Northgate Revenues and Benefits Application	(15)						(15)
'Internet of Things' - Smart City Delivery	(82)	(132)					(214)
S106 Albany Court	(9)						(9)
S106 Teksol Kenway	(2)						(2)
S106 St Hildas - affordable housing	(11)						(11)
S106 3 Acacia Drive - affordable housing	(177)						(177)
S106 Essex House - affordable housing	(320)						(320)
S106 32-36 Valkyrie Rd - affordable housing	(218)						(218)
S106 845-849 London Rd – affordable housing	(143)						(143)
S106 3-5 High Street - affordable housing	(172)						(172)
Total Schemes Removed from Programme	(1,381)	(132)	0	0	0	0	(1,513)

SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME

Appendix 11

Virements

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Priority Works	(49)						(49)
New Beach Huts	3						3
SACC Access Control System	24						24
SACC Reception Area Security Works	15						15
Clearance and Fencing - Land off Sutton Road	5						5
Street Lighting Infills (Lighting on Bridges)	2						2
Acquisition of Leasehold Property	(115)						(115)
Acquisition of Tower Block Leaseholds - Queensway	115						115
Southend Pier Structural Works		(500)					(500)
Southend Pier Condition Works		500					500
Sutton Road Cemetery Road Repairs		(40)					(40)
Cemetery and Crematorium Road and Path Resurfacing		40					40
Total Virements	0	0	0	0	0	0	0

Transfer from 'Subject to Viable Business Case' to main Capital Investment Programme

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Airport Business Park - New Development		1,200					1,200
Total Transfer from 'Subject to Viable Business Case'	0	1,200	0	0	0	0	1,200

Transfer to 'Subject to Viable Business Case' to main Capital Investment Programme

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Crematorium Refurbishment:							
Crematorium - Structural Repairs to Chimney	(500)						(500)
Replacement Boiler at Southend Crematorium	(120)						(120)
Total Transfer to 'Subject to Viable Business Case'	(620)	0	0	0	0	0	(620)

SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME

Appendix 11

Proposed New Investment

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Southend Pier - Condition Works		335	1,250	1,250	1,250	1,250	5,335
HRA Affordable Housing Acquisitions Programme		5,000	3,000	1,500			9,500
HRA Future Investment Programme						6,600	6,600
Junction Protection		325	325				650
Zebra Crossing Surfacing Replacement		200	200	200			600
Street Lighting			125	125			250
Car Park Resurfacing		250	250				500
Carriageways and Footways Improvements		1,000					1,000
Improve Footway Condition Around Trees		150	150	150			450
ICT - Connected and Smart		350	450	450			1,250
Schools - Improvement and Provision of Secondary School Places		2,000	600				2,600
Schools - Condition Works		290	500	500			1,290
Schools - Devolved Formula Capital		100	100	100			300
Better Queensway - Programme Management		540	480				1,020
Better Queensway - Acquisition of Leasehold Properties		800	1,800				2,600
Priority Works			600	600	600	600	2,400
Property Refurbishment Programme		750	750	750	750	750	3,750
ICT - Stabilise and Run		785	1,255	1,055			3,095
ICT - Cybersecurity		450	300	300			1,050
ICT - Business Enablement		1,735	375				2,110
ICT - Business Services		660					660
Kiosks in Libraries		100					100
Total Proposed New Investment	0	15,820	12,510	6,980	2,600	9,200	47,110

Proposed New Investment Subject to Viable Business Cases

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Crematorium Refurbishment		1,780					1,780
East Beach Car Park Refurbishment							
Town Centre and Seafront Security Works							
Total Proposed New Investment Subject to Viable Business Cases	0	1,780	0	0	0	0	1,780

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**Proposed Capital Investment Programme 2019/20 to 2024/25 and future years -
Summary by Area of Investment**

Appendix 12

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
General Fund Housing	2,458	1,375	577	-	-	-	4,410
Council Housing and New Build Programme	18,420	20,205	15,836	8,060	6,560	6,600	75,681
Social Care	2,568	11,672	200	-	-	-	14,440
Schools	10,076	5,564	1,200	600	-	-	17,440
Enterprise and Regeneration	12,921	11,601	7,524	2,000	2,000	7,100	43,146
Southend Pier	3,198	7,859	7,150	1,250	1,250	1,250	21,957
Culture and Tourism	3,957	17,559	5,788	1,500	1,500	1,500	31,804
Community Safety	220	1,700	800	66	-	-	2,786
Highways and Infrastructure	12,193	21,738	6,160	2,000	295	-	42,386
Works to Property	1,014	3,434	750	600	600	600	6,998
Energy Saving	149	1,568	377	117	-	-	2,211
ICT	2,472	4,220	2,380	1,805	-	-	10,877
S306/S38/CIL	531	101	225	-	-	-	857
TOTAL CAPITAL INVESTMENT PROGRAMME	70,177	108,596	48,967	17,998	12,205	17,050	274,993

Total budget for 2020/21 to 2024/25:

204,816

Proposed Capital Investment Programme 2019/20 to 2024/25 and future years

Appendix 12

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
General Fund Housing							
Disabled Facilities Grant	1,028	900	577				2,505
Private Sector Housing Strategy	1,095	475					1,570
12a Ceylon Road Refurbishment Works	35						35
Housing and Development Pipeline Feasibility - GF	300						300
Total General Fund Housing	2,458	1,375	577	-	-	-	4,410
Council Housing and New Build Programme							
Bathroom Refurbishment	140	119	59	52	96		466
Central Heating	1,218	161	197	161	771		2,508
Common Areas Improvement	3,403	927	864	864	864		6,922
Environmental - H&S works	992	981	1,080	1,080	1,080		5,213
Kitchen Refurbishments	222	1,515	1,002	875	1,107		4,721
Rewiring	470	53	501	739	411		2,174
Roofs	488	1,037	1,335	1,145	1,187		5,192
Windows and Doors	362	1,127	862	944	344		3,639
Future Programme (MRA & Decent Homes)	-	-				6,600	6,600
HRA Disabled Adaptations - Major Adaptations	963	650	650	650	650		3,563
HRA Disabled Adaptations - Minor Adaptations	150	50	50	50	50		350
Sheltered Housing DDA works	-	345					345
Energy Efficiency Measures	150						150
Housing Construction Scheme - Phase 2	578						578
Housing Construction Scheme - Phase 3	327	3,922	654				4,903
Housing Construction Scheme - Phase 4		2,406	3,782				6,188
Housing Construction Scheme - Modern Methods of Construction (MMC)	222	1,112	-				1,334
Housing Construction Scheme - Phase 5/6 feasibility (S106)	50						50
Housing Construction Scheme - Land Assembly Fund (S106)	1,400						1,400
HRA Affordable Housing Acquisitions Programme	6,656	5,000	3,000	1,500			16,156
Housing and Development Pipeline Feasibility - HRA	345						345
Acquisition of tower block leaseholds - Queensway	284	800	1,800				2,884
Total Council Housing and New Build Programme	18,420	20,205	15,836	8,060	6,560	6,600	75,681
Social Care							
Community Capacity	125	125					250
Dementia Friendly Environments	8						8
Children's Residential Care Provision	15	685					700
SEND Module and Integration with Liquid Logic	120						120
AHDC Short Breaks for Disabled Children	-	64					64
Mental Health Funding Stream	-	36					36
Transforming Care Housing	-	162					162
Delaware and Priory New Build	2,300	10,600	200				13,100
Total Social Care	2,568	11,672	200	-	-	-	14,440

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Schools							
Adult Community College rainwater goods	12						12
Chalkwell Hall Infants replace relocatables (SBC 50%)	-	109					109
Chalkwell Hall Infants Energy Project	-	300					300
Chalkwell Hall Juniors roofs	65						65
Eastwood Primary roof	100						100
Fairways Primary roof	-	15					15
Fairways Primary curtain walling	-	100					100
Fairways Primary Pipeworks	29	26					55
Fairways Primary Trees	10						10
Future condition projects	65	290	500	500			1,355
Milton Hall Fire Alarm replacement (H&S)	40						40
West Leigh Infant Boiler	140						140
Devolved Formula Capital	100	100	100	100			400
Expansion of 2 yr old Childcare Places	5						5
School Improvement and Provision of School Places	9,200	3,762	600				13,562
Special Provision Capital Fund	310	862					1,172
Total Schools	10,076	5,564	1,200	600	-	-	17,440
Enterprise and Regeneration							
Airport Business Park (including Local Growth Fund)	11,380	8,711	5,044				25,135
Airport Business Park - Acquisition		1,200					1,200
Better Queensway - Programme Management	541	540	480				1,561
Better Queensway - Loan to Joint Venture	1,000	900	2,000	2,000	2,000	7,100	15,000
Housing Infrastructure Feasibility	-	250					250
Total Enterprise and Regeneration	12,921	11,601	7,524	2,000	2,000	7,100	43,146
Southend Pier							
Southend Pier - Bearing Refurbishment (Phase One)	572						572
Southend Pier - Condition Works Engineers	1,163	1,250	1,250	1,250	1,250	1,250	7,413
Southend Pier - Condition Works Surveyors	439						439
Southend Pier - Pier Entrance Enhancement	400						400
Southend Pier - Pier Pavilion Platform Detailed Design (Gateway Review One)	24	127					151
Southend Pier - Prince George Extension (Phase Two)	150	1,000	1,158				2,308
Southend Pier - Replacement of Pier Trains	250	3,000					3,250
Southend Pier - Timber Outer Pier Head	200	2,482	4,742				7,424
Total Southend Pier	3,198	7,859	7,150	1,250	1,250	1,250	21,957

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Culture and Tourism							
Southchurch Park Bowls Pavillion	-	20					20
Southend Cliffs - Replacement of Handrails	-	16					16
Southend Leisure and Tennis Centre Boiler	23						23
Wheeled Sports Facility Central Southend Area	245						245
Allotments Water Supply Upgrade	30	57	56				143
Chalkwell Park and Priory Park Tennis Courts	37						37
Parks Feasibility and Options Appraisals	24						24
Playground Gates	-	123					123
Replacement and Upgrade of Parks Furniture	80	30					110
Shoebury Common Regeneration	34	236					270
Sidmouth Park - Replacement of Play Equipment	47	50					97
Southend Tree Policy Review - additional trees	75	56	57				188
Forum II	1,030	13,500	3,950				18,480
Kiosks in Libraries	-	140					140
Leigh Library Gardens Messroom Refurbishment	63						63
Library Review	-	179					179
Cliffs Pavilion – Auditorium Air Handling Unit	-	115					115
Cliffs Pavilion – Boiler Flues	124	-					124
Cliffs Pavilion – Chiller	25	150					175
Cliffs Pavilion - External Refurbishment works	-	-	215				215
Cliffs Pavilion - Power Supply Equipment	30	140					170
Joint Theatres and Leisure Centres – Asbestos	-	115					115
Palace Theatre - Air Handling Units	69						69
Palace Theatre - Power Supply Equipment	5	165					170
Palace Theatre - Replacement of Asbestos Stage Safety Curtain	2						2
Central Museum Works	50	197					247
Intable Planetarium	35						35
Princess of Wales Prince Storage	52						52
Cart and Wagon Shed	200	650					850
Energy Improvements in Culture Property Assets	110						110
Fire Improvement Works	734	750	750	750	750	750	4,484
"Make Southend Sparkle" Initiative	1	10	10				21
Property Refurbishment Programme	676	750	750	750	750	750	4,426
Pump Priming Budget	93	110					203
Queen Victoria statue - security fence	24						24
Resorts Services Signage	39						39
Total Culture and Tourism	3,957	17,559	5,788	1,500	1,500	1,500	31,804

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Community Safety							
CCTV Equipment Renewal	40	1,400	800	66			2,306
Security Measures	180	300					480
Total Community Safety	220	1,700	800	66	-	-	2,786
Highways and Infrastructure							
<u>Cliff Stabilisation schemes:</u>							
- Cliff Slip Investigation Works	220						220
- Manor Road Cliff Stabilisation	324						324
<u>Flood Prevention and Resilience schemes:</u>							
- Coastal Defence (Shoebury Common Sea Defence Scheme)	242	100	3,695				4,037
- Improving Resilience of the Borough to Flooding from Extreme Weather Events	175	35					210
- Flood Prevention Works	110	-	1,015	1,125			2,250
- Southend Highway Flood Reduction and Resilience Improvement Scheme	161						161
<u>Carriageways and Footways schemes:</u>							
- Carriageways and Footways Improvements	1,766	3,000	-				4,766
- Highways Maintenance - Potholes	135	65					200
- Junction Protection		325	325				650
- Zebra Crossing Surfacing Replacement		200	200	200			600
- Improve Footway Condition Around Highway Trees	218	150	150	150			668
- Cinder Path	65						65
<u>Highways Infrastructure schemes:</u>							
- Street Lighting Infills	127	125	125	125			502
- Town Centre Redevelopment Improvements - Highways (NPIF)	1,492						1,492
- Traffic Signs Upgrade	-	200	100	100	100		500
<u>Parking schemes:</u>							
- Car Park Improvements	100	100	100	100	100		500
- Car Park Resurfacing		250	250				500
- Improved Car Park Signage and Guidance Systems	17	215					232
- Coach Parking	29						29
- Parking Strategy	149	50					199
<u>Local Transport Plan schemes:</u>							
- LTP (Integrated Transport block) - Bridge Strengthening	780	300					1,080
- LTP (Integrated Transport block) - Better Sustainable Transport	486	735					1,221
- LTP (Integrated Transport block) - Better Networks	551	450					1,001
- LTP (Integrated Transport block) - Traffic Management Schemes	397	400					797
- LTP (Integrated Transport block) - Traffic Control Systems	203	401					604
- LTP - Maintenance	1,144	671					1,815
- LTP - Maintenance - Street Lighting	150	150					300
<u>Local Growth Fund schemes:</u>							
- A127 Growth Corridor (Bell Junction and A127 Essential Maintenance Works)	2,437	9,969					12,406
- Extension of London Road Public Realm Improvement to Victoria Circus	500	3,466					3,966
<u>Other Transport schemes:</u>							
- HCA Progress Road	15						15
- Southend Transport Model	200	381	200	200	95		1,076
Total Highways and Infrastructure	12,193	21,738	6,160	2,000	295	-	42,386

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Works to Property							
62 Avenue Road - demolition	-	49					49
Belfairs Park Restaurant/Golf Club Preventative Works	-	102					102
Civic Campus - Efficient Use of Space	200	232	150				582
Clearance and Fencing - Land off Sutton Road	5						5
Darlows Green former WCs demolition	3						3
Demolition of Public WCs at Pitmans Close	7						7
Elm Road Sports Ground Remedial Works	60						60
Futures Demolition	35	485					520
New Beach Huts Phase 2	3						3
Pier Arches External Landlord Works	72						72
Relocation of START	20						20
SACC Access Control System	24						24
SACC Reception Area Security Works	15						15
Seaways - HCA Condition Funding	170						170
SMAC Eastern Esplanade Slipway	-	27					27
Cemetery - Ride on Mower		30					30
Cemetery and Crematorium Road and Path Resurfacing	10	100					110
Crematorium - Urgent Structural Repairs to Chimney	60						60
Essential Crematorium/Cemetery Equipment	8						8
Pergola Walk Memorial Scheme	7						7
Replacement Boiler at Southend Crematorium	1						1
Replacement of Essential Crematorium Infrastructure	23						23
Civic Centre Boilers	30	1,259					1,289
Public Toilet Provision	40	660					700
Priority Works	221	490	600	600	600	600	3,111
Total Works to Property	1,014	3,434	750	600	600	600	6,998
Energy Saving							
Civic Centre CHP/Lifts Feasibility	3						3
Energy Efficiency Projects	12	328	277	117			734
Leigh Energy Appraisal	28						28
Real Time Air Quality Measurement - Feasibility	14	56					70
Solar PV Projects	2	938					940
Schools and Council Buildings Solar PV	-	246	100				346
ULEV Taxi Infrastructure Scheme	90						90
Total Energy Saving	149	1,568	377	117	-	-	2,211

Proposed Capital Investment Programme 2019/20 to 2024/25 and future years

Appendix 12

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
ICT							
Channel Shift	153						153
Data Centre	404						404
Disaster Recovery Relocation	55						55
Employee Engagement Portal (Intranet)	20						20
Extending WiFi in Council Premises	70						70
HR Recruitment Contract Implementation	233						233
N3 Connectivity in Civic Building	40						40
ICT - Business Enablement		1,735	375				2,110
ICT - Business Services		660					660
ICT - Connected and Smart		350	450	450			1,250
ICT - Cybersecurity		450	300	300			1,050
ICT - Stabilise and Run		785	1,255	1,055			3,095
ICT - Core Application and Database Migration	67						67
ICT - Childrens and Adults Social Care - Development of the Liquid Logic Case Management System	143	200					343
ICT – Cyber Security/Public Services Network	55	40					95
ICT Enterprise Agreement	306						306
ICT - Phones Migration and Re-Tender	23						23
ICT Rolling Replacement Programme	330						330
Photon (Internet upgrade)	28						28
Replacement and Enhancement to Cash Receipting System	14						14
Ship Directory IDOX Software	45						45
Software Licencing	468						468
IoT Smart City Delivery	18	-					18
Total ICT	2,472	4,220	2,380	1,805	-	-	10,877
S106/S38/CIL							
S106 3-5 High Street 1501496AMDT - affordable housing	24						24
S106 23/04/2015 Hinguar and Saxon - public art contribution	18						18
S106 Ajax Works 0300130ful - landscaping maintenance	6						6
S106 Avenue Works 1401968AMDT - Public Art	-	15					15
S106 Former Balmoral 1400914FULM – public art contribution	1						1
S106 Bellway Prittlebrook 1400943FULM - Local play facilities	15						15
S106 Former College 1000225FUL - Tree Replacement	11						11
S106 Garrison 0000777 Depost - CCTV	1						1
S106 Garrison 0000777 Deposit - information boards	2						2
S106 Garrison 0000777 Deposit - Junior Play Area maintenance	10						10
S106 Garrison 0000777 Deposit - Toddler Play Area maintenance	6						6
S106 Garrison Park Store	1						1
S106 Lifstan Way 0000273 Out - Open Space Maintenance	79						79
S106 North Shoebury Road 0301504out - Shoebury Park Enhancement	35						35
S106 North Shoebury Road 0301504out - Shoebury Park Maintenance	43	35	171				249
S106 Sunlight Ldry 1400411FULM - Public Art	2	3					5
S106 22-23 The Leas 0700820FULM - bus service contribution	43						43
S106 Essex House 1500521FULM - bus stop improvement	3						3
S106 Former College 1500803BC4M - parking survey contribution	10						10
S106 Avenue Works 1401968AMDT - cycleway improvement	-	1					1
S106 Bellway Prittlebrook 1400943FULM - TRO Contribution	4						4
S106 High Works Shoe Garrison	2						2

Proposed Capital Investment Programme 2019/20 to 2024/25 and future years

Appendix 12

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
S106 Hinguar 1401672BC4M - highway contribution	5						5
S106 North Road and Salisbury Ave 1200056 - Highway Works Contribution	2						2
S106 Sunlight Ldry 1400411FULM - Highway Works	2						2
S106 Texsol Kenway 1500468FULM – public realm contribution	14						14
S106 Seec 0200500ful - Highway Works	104						104
S106 Univ H-Way0401561ful	5						5
S38/S278 Airport 0901960 Fulm	15	47					62
S38 Bellway Homes 14/00943/fulm	30	-	46				76
S38 Old Hinguar School	4						4
S78 Bellway Homes 14/00943/fulm	2	-	8				10
S38 Fossetts Farm Bridleway	6	-					6
S38 Inspection Magazine Rd	5						5
CIL Ward NA – Milton – Milton Park improvements	2						2
CIL Ward NA – Milton – Park Street replacement bollards	3						3
CIL Ward NA – Eastwood Park – Tree planting	2						2
CIL Ward NA – Kursaal – Sign for Christchurch Park	1						1
CIL Ward NA – Prittlewell – Operation Legibility (road sign cleaning)	1						1
CIL Ward NA – Southchurch – Southchurch Speedwatch	1						1
CIL Ward NA – St Lukes – Community facilities enhancements	2						2
CIL Ward NA – Thorpe – Street furniture improvement	8						8
CIL Ward NA – Westborough – Signposting	1						1
Total S106/S38/CIL	531	101	225	-	-	-	857
TOTAL PROPOSED CAPITAL INVESTMENT PROGRAMME	70,177	108,596	48,967	17,998	12,205	17,050	274,993

Total budget for 2020/21 to 2024/25: 204,816

Proposed Capital Investment Programme 2019/20 to 2024/25 and future years - Schemes subject to viable business cases

Appendix 12

General Fund Schemes Subject to Viable Business Cases	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Redevelopment of Civic Area	-	-	2,000	8,742			10,742
Crematorium Refurbishment		2,400					2,400
East Beach Café Project	-	32					32
Cliffs Pavilion - External Refurbishment Works	100	900					1,000
Southend Pier - Pavilion Platform Technical Design (Gateway Review Two) and Construction	-	500	7,000	3,000			10,500
SCHEMES SUBJECT TO VIABLE BUSINESS CASES	100	3,832	9,000	11,742	-	-	24,674
Commercial Property Investment							22,278
Shoebury Health Centre							-
East Beach Car Park Refurbishment							-
Town Centre and Seafront Security Works							-
Car Park Provision							-
TOTAL SCHEMES SUBJECT TO VIABLE BUSINESS CASES (plus investment yet to be costed):							46,952

Proposed Capital Investment Programme 2018/19 to 2024/25 and future years - Summary by Strategic and Other Schemes

Appendix 12

Scheme	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 and future years Budget £000	Total Budget (all years) £000
Strategic schemes							
Airport Business Park (including Local Growth Fund)	11,380	8,711	5,044				25,135
Airport Business Park - Acquisition		1,200					1,200
Better Queensway - Programme Management	541	540	480				1,561
Better Queensway - Loan to Joint Venture	1,000	900	2,000	2,000	2,000	7,100	15,000
Forum II	1,030	13,500	3,950				18,480
Delaware and Priory New Build	2,300	10,600	200				13,100
School Improvement and Provision of School Places	9,200	3,762	600				13,562
Southend Pier schemes	3,198	7,859	7,150	1,250	1,250	1,250	21,957
Civic Campus - Efficient Use of Space	200	232	150				582
Local Growth Fund - A127 Growth Corridor (Bell Junction and A127 Essential Maintenance Works)	2,437	9,969					12,406
HRA Affordable Housing Acquisitions Programme	6,656	5,000	3,000	1,500			16,156
Construction of New Housing on HRA Land	2,577	7,440	4,436				14,453
Acquisition of tower block leaseholds - Queensway	284	800	1,800				2,884
Total Strategic	40,803	70,513	28,810	4,750	3,250	8,350	156,476
Other schemes							
Other Capital Investment schemes	29,374	38,083	20,157	13,248	8,955	8,700	118,517
TOTAL CAPITAL INVESTMENT PROGRAMME	70,177	108,596	48,967	17,998	12,205	17,050	274,993

SOUTHEND-ON-SEA BOROUGH COUNCIL
MINIMUM REVENUE PROVISION POLICY 2020/21

1 Background

- 1.1 The Minimum Revenue Provision (MRP) is an amount to be set aside for the repayment of debt. The Council has a general duty to make an MRP charge to revenue which it considers to be prudent. Full Council has the responsibility to approve an annual MRP policy statement.
- 1.2 The MRP Guidance sets out that such policies may be amended at any time, as long as the Council maintains a prudent approach whilst ensuring any changes are sustainable with regard to the revenue budget. The MRP policy adopted should ensure that revenue provision is made over a period broadly similar to which the asset provides a service.
- 1.3 A policy statement regarding a financial year should be approved before the start of that financial year. However, the policy can be revised during the year by the full Council.
- 1.4 Under the regulations capital receipts may be used to repay the principal of any amount borrowed.
- 1.5 The Department of Communities and Local Government guidance on MRP specifies that MRP would not have to be charged until the asset came into service and would begin in the financial year following the one in which the asset became operational.

2 Duration of the Policy Statement

- 2.1 This Minimum Revenue Provision Statement covers the 2020/21 financial year.

3 Minimum Revenue Provision Policy

- 3.1 For capital expenditure financed by historic supported borrowing:

The amount of MRP chargeable will be calculated on a straight line basis at 2%.

- 3.2 For capital expenditure financed by prudential (unsupported) borrowing from the Public Works Loan Board or from internal borrowing:

The amount of MRP chargeable will be calculated using the annuity method.

The period over which it will be charged will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure.

The annuity rate which will be applied will be the PWLB rate that most reasonably relates to that financial year.

- 3.3 For capital expenditure financed by prudential (unsupported) borrowing from other financial institutions:

The amount of MRP chargeable will be the amount specified in the repayment schedule of each loan.

- 3.4 No MRP will be applied to:

- 3.4.1 Capital expenditure financed by unsupported borrowing that has been taken out in the short term to bridge the timing difference between anticipated and actual capital receipts.

It is anticipated that capital receipts will be received to repay this borrowing. Therefore no MRP charge is required as there is already a prudent provision for repayment.

- 3.4.2 Capital expenditure financed by borrowing due to a transfer of assets between the GF and HRA where due to the nature of the transfer it is anticipated that capital receipts will be received to repay this borrowing. Therefore no MRP charge is required as there is already a prudent provision for repayment.

- 3.4.3 Capital expenditure financed by unsupported borrowing that has been taken out in the short term to bridge the timing difference between the expenditure being incurred and the budgeted revenue contribution to capital outlay being applied.

It is anticipated that revenue contributions will be received to repay this borrowing. Therefore no MRP charge is required as there is already a prudent provision for repayment.

- 3.4.4 Capital expenditure financed by unsupported borrowing that has been taken out in the short term to bridge the timing gap while grant conditions are being met and therefore the grant being applied to capital expenditure under International Financial Reporting Standards (IFRS).

It is anticipated that the grant conditions will be met therefore no MRP charge is required as there is already a prudent provision for repayment.

- 3.5 The amount of MRP chargeable relating to finance leases will be such that the combined impact of the finance charge and MRP is equal to the estimated rentals payable for the year.
- 3.6 If capital receipts are utilised to repay debt in year, the value of MRP chargeable will be reduced by the value of the receipts utilised.
- 3.7 MRP will only be charged in the year following the asset becoming operational.

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SOUTHEND-ON-SEA BOROUGH COUNCIL PRUDENTIAL INDICATORS 2020/2021

1 Introduction

- 1.1 The Prudential Code is the key element in the system of capital finance that was introduced from 1 April 2004 as set out in the Local Government Act 2003.
- 1.2 Individual authorities are responsible for deciding the level of their affordable borrowing, having regard to the CIPFA code, (which has legislative backing). Prudential limits apply to all borrowing, qualifying credit arrangements (e.g. some forms of lease) and other long term liabilities. The system is designed to encourage authorities that need, and can afford, to borrow for capital investment to do so.

2 CIPFA Prudential Code for Capital Finance in Local Authorities

- 2.1 The Code has been developed to support Local Authorities in taking capital investment decisions and to ensure that these decisions are supported by a framework which ensures prudence, affordability and sustainability. The Code was updated in December 2017 and requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources.
- 2.2 Another objective of the Code is that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation. The rationale behind these concepts is set out in the code.
- 2.3 To demonstrate compliance with these objectives of prudence, affordability and sustainability each local authority is required to produce a set of prudential indicators. These indicators are designed to support and record local decision making and are not for comparison with other authorities. The setting and revising of these indicators must be approved by Cabinet and Council.
- 2.4 In setting or revising its prudential indicators, the local authority is required to have regard to the following matters:
 - service objectives (e.g. strategic planning);
 - stewardship of assets (e.g. asset management planning);
 - value for money (e.g. options appraisal);
 - prudence and sustainability (e.g. risks, whole life costing and implications for external debt);
 - affordability (e.g. implications for long-term resources including the council tax);
 - practicality (e.g. achievability of the forward plan).

3 Prudential Indicators for Prudence

3.1 *Estimates of Capital Expenditure to be Incurred*

- 3.1.1 This is an estimate of the total amount of investment planned over the period. Not all investment necessarily has an effect on the Council Tax. Schemes funded by grant, third party contributions or by capital receipts mean that the effect on the Council Tax is greatly reduced.

	<i>Estimate 2020/21 £000</i>	<i>Estimate 2021/22 £000</i>	<i>Estimate 2022/23 £000</i>	<i>Estimate 2023/24 £000</i>	<i>Estimate 2024/25 £000</i>
General Fund	88,391	33,131	9,938	5,645	10,450
Housing Revenue Account	20,205	15,836	8,060	6,560	6,600
Total	108,596	48,967	17,998	12,205	17,050

3.2 *Estimate of the Capital Financing Requirement*

- 3.2.1 Each year, the Council finances the capital programme by a number of means, one of which is borrowing. The capital financing requirement represents the cumulative amount of borrowing that has been incurred to pay for the Council's capital assets, less amounts that have been set aside for the repayment of debt over the years (i.e. Minimum Revenue Provision and Reserved Capital Receipts).

- 3.2.2 The estimates for the capital financing requirement are:

	<i>Estimate 31st March 2021 £000</i>	<i>Estimate 31st March 2022 £000</i>	<i>Estimate 31st March 2023 £000</i>	<i>Estimate 31st March 2024 £000</i>	<i>Estimate 31st March 2025 £000</i>
General Fund	323,762	332,418	331,009	325,782	325,036
Housing Revenue Account	98,816	98,816	98,816	98,816	98,816
Better Queensway senior lender (indicative)	0	0	0	0	50,000
Total	422,578	431,234	429,825	424,598	473,852

- 3.2.3 The Council is only allowed to borrow long term to support its capital programme. It is not allowed to borrow long term to support its revenue budget.

3.3 *Operational Boundary and Authorised Limit 2020/21 to 2024/25*

- 3.3.1 The Council must set an operational boundary and authorised limit for its total gross external debt, separately identifying borrowing from other long-term liabilities. The operational boundary is how much gross external debt the Council

plans to take up, and reflects the decision on the amount of debt needed for the Capital Investment Programme for the relevant year. The authorised limit is higher than the operational boundary as it allows sufficient headroom to take account of unusual cash movements. If at any time during the year, it is likely that this limit will be breached it will be reported to members as soon as possible and the Leader advised immediately.

Operational boundary	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000	Estimate 2024/25 £000
Borrowing	370,950	381,150	386,250	386,450	386,650
Liabilities outstanding under credit arrangements	4,050	3,850	3,750	3,550	3,350
Better Queensway – senior lender (indicative)	0	0	0	0	50,000
Total	375,000	385,000	390,000	390,000	440,000

Authorised Limit	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000	Estimate 2024/25 £000
Borrowing	380,950	391,150	396,250	396,450	396,650
Liabilities outstanding under credit arrangements	4,050	3,850	3,750	3,550	3,350
Better Queensway – senior lender (indicative)	0	0	0	0	50,000
Total	385,000	395,000	400,000	400,000	450,000

3.4 *Gross Debt and the Capital Financing Requirement*

- 3.4.1 Gross external debt is long term external debt (e.g. PWLB loans taken out), short term borrowing from other Local Authorities and credit arrangements relating to finance leases. The estimates for the external debt are:

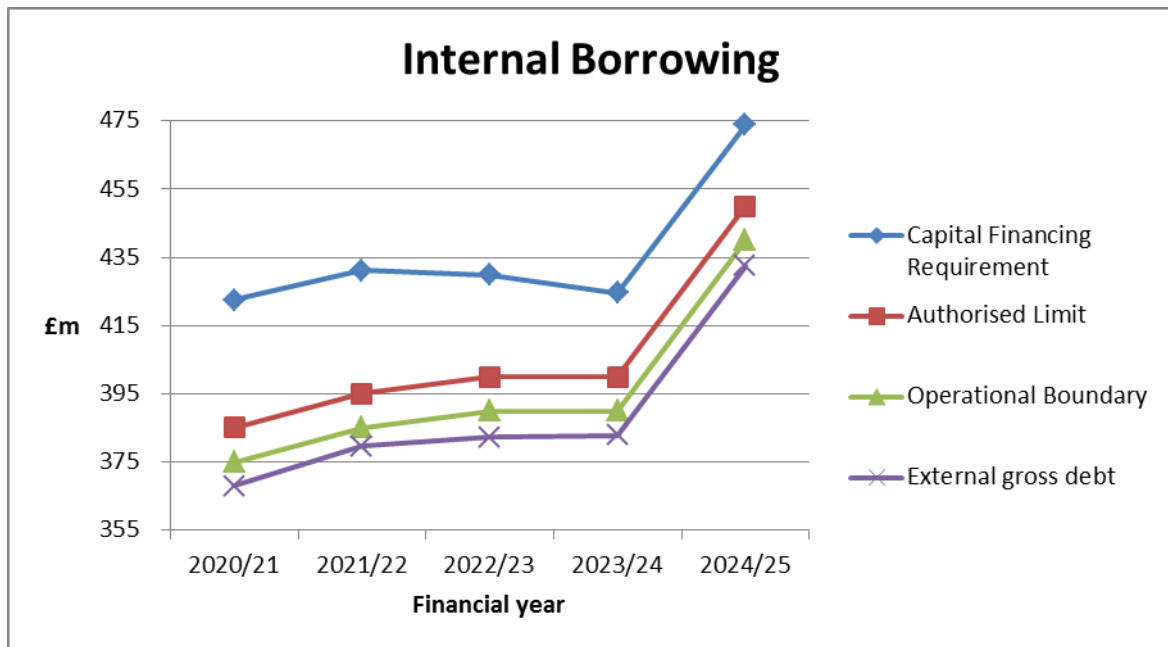
	Estimate 31st March 2021 £000	Estimate 31st March 2022 £000	Estimate 31st March 2023 £000	Estimate 31st March 2024 £000	Estimate 31st March 2025 £000
External gross debt	367,909	379,567	382,301	382,913	432,507

- 3.4.2 Under the Prudential Code, gross external borrowing must not, except in the short term, exceed the total of the capital financing requirement for the previous year, plus any additional amounts for the current year and the next two financial years. This means that gross external borrowing cannot exceed £429.825m at 31 March 2021, £424.598m at 31 March 2022 and £473.852m at 31 March 2023.

4 Prudential Indicators for Affordability

4.1 Internal Borrowing/Interest Rate Risk

- 4.1.1 The graph below shows the estimated Capital Financing Requirement, Authorised Limit, Operational Boundary and levels of external borrowing over the next five years.



- 4.1.2 The gap between the Capital Financing Requirement and the levels of external debt illustrates the level of internal borrowing. This reflects the Council's exposure to interest rate movements equivalent to the interest lost on investment income. Also, when the borrowing is taken out the rate will be dependent on the prevailing economic and market conditions at the time. This is a risk if PWLB rates rise significantly. For every 1 basis point (0.01%) increase in rates the interest paid on borrowing £10m for 50 years rises by £50,000 over the life of the loan. A 1% increase in rates on a £10m loan would increase the cost to £5m over the life of the loan.

- 4.1.3 The gap between the Capital Financing Requirement and the Operational Boundary/Authorised Limit highlights the potential scope and flexibility to borrow further, if the cash flow and treasury management position allows.

4.2 Estimates of the Proportion of Financing Costs to Net Revenue Stream

- 4.2.1 This indicator records estimated capital financing costs as a percentage of the net revenue stream.

- 4.2.2 Capital financing costs are the revenue cost of financing the debt (the interest payments and the amount set aside annually to repay debt) less interest earned on investments. This is an important indicator because it shows how much of the Council's revenue resources are 'tied up' in fixed capital financing costs. Setting and reviewing this, means that the Council can ensure that its capital financing

costs do not become too large a part of the revenue budget, compared to the cost of running services.

	Estimate 2020/21 %	Estimate 2021/22 %	Estimate 2022/23 %	Estimate 2023/24 %	Estimate 2024/25 %
General Fund	13.06	13.10	13.12	12.98	12.88
Housing Revenue Account	28.25	28.33	28.09	28.23	28.42

5 Prudential Indicators for Treasury Management

5.1 Maturity Structure of Borrowing during 2020/21

- 5.1.1 The table below shows the limits within which the Council delegates its length of borrowing decisions to the Strategic Director (Finance and Resources)/Section 151 Officer in 2019/20.

	Upper limit %	Lower limit %	Estimated outstanding debt maturity at 31st March 2021 %
Under 12 months	20	0	0
12 months and within 24 months	30	0	1
24 months and within 5 years	40	0	2
5 years and within 10 years	60	5	16
10 years and within 20 years	100	15	29
20 years and within 30 years	100	0	18
30 years and above	80	20	34

- 5.1.2 The percentages in each category for the upper and lower limits do not add up to 100% as they do not represent an actual allocation.
- 5.1.3 The actual maturities of new borrowing will be decided taking account of the maturities of existing loans and the interest rates for the various maturity periods available at the time.

5.2 Total Principal Sums Invested for Periods over 365 Days

- 5.2.1 A large part of the Council's investments are managed by external fund managers. However, a working cash balance is also managed internally within the Council. Part of this cash balance is utilised to smooth out the day to day movements on the cash flow. It is not therefore the intention that this part of the balance would be invested for more than 365 days. The rest of the cash balance is invested to achieve the optimum returns consistent with the effective control of risk.

5.2.2 This indicator sets a prudential limit for principal sums invested for periods over 365 days. The following limits are for principal sums invested in-house:

	<i>Estimate 2020/21 £m</i>	<i>Estimate 2021/22 £m</i>	<i>Estimate 2022/23 %</i>	<i>Estimate 2023/24 %</i>	<i>Estimate 2024/25 £m</i>
Limits on the total principal sum invested to final maturities beyond the period end	25	25	25	25	25

Appendix xx: Summary of Equality Analyses supporting budget proposals 2020-21

Outlined below is a summary Equality Analyses (EA) which supports specific budget proposals for 2020/21 which may have a direct equalities impact for groups with 'protected characteristics' and has been endorsed by the Council's Corporate Management Team. Findings highlight where an equality analysis (EA) will be undertaken to accompany consideration, and implementation, of the proposals. Any service restructures that impact on staff are required to be subject to an EA.

1. [Revenue proposals](#)
2. [Reserves proposals](#)
3. [Capital proposals](#)

Theme no.	1. Revenue proposal	Equality analysis
PJ1	Tree & Shrub Planting/Maintenance – £200,000	Additional trees and shrubs can play a part in mitigating the impact of air pollution and enhancing mental health. Children, older people and those with chronic lung or heart conditions are considered more vulnerable to the effects of air pollution. People living in more deprived areas may also be more susceptible to air pollution, where the cumulative impact of impaired health of other factors, such as diet and higher smoking rates, create disproportionate health impacts between, and within, communities. Others at a higher risk, such as those working in polluted places or commuting to work through heavily congested urban areas may also benefit.
SW1	External Care Provision – £2,375,000	Additional support reflects the growing pressures of increased numbers of looked after children (LAC) and the impact of increased provision costs. Placing LAC locally remains a high priority, so that children are closer to their own family, school, community, care and other local services that generally lead to better outcomes for these children.
SW2	In house foster carers – £400,000	Measure supports moves to maximise the use of in-house foster carers, who can often provide a better experience, for looked after children than via independent foster care agencies (IFAs), through better local knowledge, the receipt of more specific training, greater likelihood of children remaining closer to their communities and at the same school.

SW3	Newly Qualified Social Carers – £210,000	Reduction in use of agency staff should provide a better service for children, as a result of greater stability and consistency in relation to services provided and the potential to develop council staff in line with desired outcomes.
SW4	Field work services – £115,000	As for SW3
SW5	Vulnerable Children – £100,000	Resource is to support often vulnerable children who may, for example, be unaccompanied, have refugee status, are part of 'failed' asylum seeker households or have limited or discretionary leave to remain and who councils are required to support.
SW6	Children's Social Care legal costs – £200,000	None specific – though greater capacity in the Council's legal service should mean cases being dealt with more efficiently, mitigating the impact of the legal process on vulnerable children and families.
SW7	Living Wage for Adult Service Providers – £1,095,000	The funding will support care providers required to pay the national living wage, helping to support a low paid workforce who are disproportionately made up of women and ethnic minorities. This will also help in providing a more stable workforce and, therefore, a better service for those in care, many of whom are elderly or have a disability.
SW8	Children to Adults transition – £350,000	This will provide additional funding for young people as they reach adulthood, generally with learning disabilities and occasionally with mental health issues.
SW9	Older People demographics – £480,000	Additional funding to support the increasing number of older people living longer and often with a range of conditions and in need of care. The resources will enable people in this group to maintain more independent lives, or where necessary, have suitable support in residential care.
SW10	Equipment Services – £250,000	Will meet the need for more appropriate equipment to support the growing numbers of older people, and some younger people with more complex needs, to live independently in their own homes.
SW11	Green City Aspirations – £120,000	Enhances the Council's capacity to tackle air quality, where pollution has an adverse impact on children, older people and those with chronic lung or heart conditions in particular.
SW12	Public Health Act Funeral Arrangements – £25,000	Councils are required to organise funerals where no suitable arrangements have been made, often where people have died alone, in poverty or without relatives. The majority of the funerals are generally for men and for the over 65s. The service will continue to be sensitive to the varied funeral requirements of different religious and faith communities.

SW13	Liquid Logic Support Team - £155,000	None specific
SW14	Complex Needs Provision – £35,000	Will support moves to revise service provision to a small group, of mainly men, with complex and challenging needs, often related to mental health, alcohol and/or drug use. A revised model could enhance the quality of service, provide better working conditions for staff and mitigate the impact of the facility on the neighbouring area – which has relatively high levels of anti-social behaviour.
SW15	Southend Care – (£100,000)	Saving on the Southend Care contract as former SBC staff leave and new staff are recruited on Southend Care conditions. Impacts, on average, 12% of the workforce a year.
OP1	Library Review – £100,000	Will help to enhance service provision and provide a basis for more flexible use of space at libraries for communities and at places communities identify with, across the library service.
OP2	Income Generation – Registration Service – (£75,000)	Reflects a statutory increase in the fee for birth, death and marriage certificates - from £4 to £11 and will impact on all customers requesting the certificates. Children in care of the Council are not subject to a charge.
OP3	Asset Management Income – (£100,000)	None specific
CS1	Potholes – £500,000	Will help all those using the roads, including cyclists and those on a lower income who may be disproportionately impacted by damage to vehicles.
CS2	Town Centre Parking – £50,000	Enables continuation of 1 hour parking option that will help those on a lower income wanting to park in the town centre.
CS3	Signal Maintenance – £50,000	Will help increase safety and understanding of the traffic situation in different parts of the borough, for those (mainly some elderly) who do not have or use technology for travel news. Traffic signals at crossings are important safety measures for the visually impaired, those with disabilities and parents with children.
CS4	Streetworks Income – £500,000	None
CS5	Rechargeable Works – £100,000	None
E1	ICT Transformation – £200,000	Will support the Council's moves to enabling more flexible/agile working (work-life) helping staff who may have a need for more flexible arrangements, such as managing a disability or childcare.
E2	Workforce Development – £100,000	Will enable more staff to access good quality training and development at times and places convenient to them.
E3	Waste Disposal – (£800,000)	None

E4	Release of Pension Fund Provision – (£750,000)	None
E5	Productivity and Efficiency Gains – (£250,000)	None specific
E6	Facilities Management – £120,000	None specific
E7	Investment Income – (£400,000)	None

Theme no.	2. Reserves proposals	Analysis findings
	Service Design 20/21 £185,000, 21/22 £185,000, 22/23 £185,000	Will support the Council's work in enabling services to have a better understanding of, and be more responsive to, the varying needs of users and potential users
	Community Safety/ Environment Crime 20/21 £150,000, 21/22 £150,000, 22/23 £0	Measures will help enhance community safety and reduce levels of 'enviro crime' in the borough, the impact of which can be more significant on the vulnerable and those in less affluent areas.
	Summer and Winter Planning 20/21 £100,000, 21/22 £100,000, 22/23 £100,000	Funding will support enhanced community safety and moves to provide a more accessible tourism and culture offer and summer and winter events. Also, supports work to prepare for extreme weather conditions in summer and winter, which disproportionately impact on those with health conditions that makes them more vulnerable to very high and low temperatures, such as the elderly and very young.
	Community Builders/ Capacity Building Fund 20/21 £100,000, 21/22 £100,000, 22/23 £0	The approach will enable engagement of local communities and service users to better shape future service provision and potentially take responsibility for particular assets and services. Will also enable closer working between voluntary, faith, social enterprise, charitable and not for profit organisations that can provide a more joined up and inclusive approach.
	Economic Development 20/21 £100,000, 21/22 £100,000, 22/23 £0	None
	Workforce Development 20/21 £100,000, 21/22 £50,000, 22/23 £0	Will enable more staff to undertake quality training and development at times and locations of convenience to them.
	Complex Needs Provision 20/21 £150,000, 21/22 £150,000, 22/23 £0	Will support moves to revise service provision to a small group, of mainly men, with complex and challenging needs, often related to mental health, alcohol and/or drug use. A revised model could enhance the quality of service, provide better working conditions for staff and mitigate the impact of the facility on the neighbouring area – which has relatively high levels of anti-social behaviour.
	Local Plan 20/21 £410,000, 21/22 £130,000, 22/23 £0	The Plan aims to ensure the sustainable development of the borough for the next decade and beyond. The promotion of balanced and inclusive communities that benefit all is integral to achieving this, working closely with

		Southend's communities and neighbouring areas.
	Housing Implementation 20/21 £150,000, 21/22 £150,000, 22/23 £0	To support those who are experiencing homelessness, at risk of homelessness or rough sleeping, including vulnerable people with complex and challenging needs. The profile of rough sleepers tends to be overwhelmingly male and over the age of 25. The most common demographic groups of those approaching the council for homeless prevention or relief support are: 25-34 year olds, single mothers, single males and those with a history of mental health issues and those with physical ill health and disability.
	Outcome Delivery 20/21 £250,000, 21/22 £250,000, 22/23 £250,000	Supports the Council's programme to focus on achieving better outcomes for residents and service users.
	School Improvement 20/21 £200,000, 21/22 £200,000, 22/23 £200,000	Funding will support the Council's work in narrowing the achievement gap and raising the aspirations for pupils from more disadvantaged backgrounds as well as supporting more local pupils going to the borough's Grammar Schools.

Theme no.	3. Capital proposals	Analysis findings
C1	Southend Pier – Condition Works – £5,335,000 20/21 – £335,000, 21/22 to 24/25 – £1,250,000 p.a.	None specific
C2	HRA Affordable Housing Acquisitions Programme – £9,500,000 20/21 – £5,000,000, 21/22 – £3,000,000, 22/23 – £1,500,000	Will support the acquisitions programme, agreed as part of the Council's housing, homelessness and rough sleeping strategy to help Southend residents in housing need. The most common demographic groups of those approaching the council for homeless prevention or relief support are: 25-34 year olds, single mothers, single males and those with a history of mental health issues and those with physical ill health and disability.
C3	HRA Future Investment Programme – £6,600,000 24/25 – £6,600,000	Investment in the Council's social housing stock to ensure homes are of a good standard will help tenants across the borough. A high proportion of residents are in receipt of some proportion of Housing Benefit (over 50%) or are on relatively low incomes and are not in a position to do significant improvements themselves. Works will help residents with a disability as communal areas, safety work and adaptations to homes are upgraded.
C4	Junction Protection – £650,000 20/21 – £325,000, 21/22 – £325,000	Will help enhance safety for drivers and pedestrians, aiding, in particular, people with visual impairments, people with a disability, children and parents with younger children.
C5	Zebra Crossing Surfacing Replacement – £600,000 20/21 to 22/23 – £200,000 p.a.	Will enhance safety at zebra crossings aiding, in particular, the visually impaired, people with a disability, children and parents with younger children.
C6	Street Lighting - £250,000 21/22 to 22/23 - £125,000 p.a.	Improved lighting enhances the feeling of community safety, particularly in relation to the elderly, women, the more vulnerable and those in central and eastern wards, while generating savings from energy use and maintenance and reducing CO2 emissions.
C7	Car Park Resurfacing – £500,000 20/21 to 21/22 – £250,000 p.a.	Works will provide improved access and surfaces for those on foot who have mobility issues.
C8	Carriageways and Footways Improvements – £1,000,000 20/21 – £1,000,000	Works should provide improved footways and visibility of surface changes, resulting in less trips and falls, which are disproportionately experienced by the elderly and those with disabilities.

C9	Improve Footway Condition Around Highway Trees – £450,000 20/21 to 22/23 – £150,000 p.a.	Works should provide improved footways around trees, resulting in less trips and falls, which disproportionately impact the elderly, those with limited sight and those with disabilities.
C10	ICT – Connected and Smart – £1,250,000 20/21 – £350,000, 21/22 to 22/23 – £450,000 p.a.)	None specific but will support a range of key projects to drive the achievement of the Council's desired outcomes benefiting all residents, including many with high needs.
C11	Schools – Improvement and Provision of Secondary School Places – £2,600,000 20/21 – £2,000,000, 21/22 – £600,000	The investment will provide sufficient school spaces, prevent over-crowding and an enhanced school experience which is likely to benefit pupils from more deprived backgrounds in particular. It will also provide parents with more choice on which school their children attend.
C12	Schools – Condition Works – £1,290,000 20/21 – £290,000, 21/22 to 22/23 – £500,000 p.a.	Maintaining good standards of school buildings is important to enhancing the school experience for all pupils. Investment will also maintain the standard of infrastructure of children centres, which make a key contribution to enabling families become more resilient, and give a better start in life, particularly for children from more deprived backgrounds.
C13	Schools – Devolved Formula Capital – £300,000 20/21 to 22/23 – £100,000 p.a.	As for C11 and C12
C14	Better Queensway – Programme Management – £1,020,000 20/21 – £540,000, 21/22 – £480,000	Will support the programme to transform the northern end of Southend town centre, with a new mixed tenure development of more, better quality housing, and outdoor space along with improved connectivity. Most residents are under 40, around 10% have a disability and two thirds are in receipt of benefit. Existing residents will have the opportunity to return/remain in the area and to benefit from an improved quality of life through improved accommodation, public realm, access and provision.
C15	Better Queensway – Acquisition of Leasehold Properties – £2,600,000 20/21 – £800,000, 21/22 – £1,800,000	Will support the Better Queensway programme in providing, in particular, suitable alternatives to existing residents while building works are taking place.
C16	Priority Works – £2,400,000 21/22 to 24/25 – £600,000 p.a.	None specific
C17	Property Refurbishment Programme – £3,750,000 20/21 to 24/25 – £750,000 p.a.	Will assist in modernising council buildings, including ensuring they are accessible and usable by customers, staff and visitors, including those with disabilities.

C18	ICT – Stabilise and Run – £3,095,000 20/21 – £785,000, 21/22 – £1,255,000, 22/23 – £1,055,000	None specific
C19	ICT – Cybersecurity – £1,050,000 20/21 – £450,000, 21/22 to 22/23 – £300,000 p.a.	None specific
C20	ICT – Business Enablement – £2,110,000 20/21 – £1,735,000, 21/22 – £375,000	Will support the Council's moves to enabling more flexible/agile working (Work-life) helping staff who may have a need for more flexible arrangements, such as managing a disability, a health condition or childcare.
C21	ICT – Business Services – £660,000 20/21 – £660,000	None specific
C22	Kiosks in Libraries – £100,000 20/21 – £100,000	No significant impact, other than that by modernising the self-serve kiosks, users can make payments by card as well as by cash, giving more options for customers.
C23	Crematorium refurbishment – 20/21: £1,780,000 (subject to viable business case)	None specific
C24	East Beach Car Park Refurbishment (subject to viable business case)	Works will provide improved access and surfaces for those on foot who have mobility issues and improved lighting will benefit those with visual impairment.
C25	Town Centre and Seafront Security Works (subject to viable business case)	Improved security should enhance a feeling of community safety in the town centre and seafront, with particular impact on those who may be more fearful of crime and anti-social behaviour – including the elderly and more vulnerable.
	Shoeburyness Health Centre (subject to viable business case)	<p>None specific at this stage but if the project is realised, a new facility could provide enhanced health and care services via the NHS, council and voluntary sector. Any development will be co-designed with the community to ensure that the needs of residents in the East locality are met. In particular, the development will address the needs of an area where the population has higher than (Southend) average bad or very bad health generally.</p> <p>This includes higher than average levels of mental health illness, increased likelihood of developing a long-term illness and a higher prevalence of unhealthy life styles. Children are more likely to experience an acute illness and an unhealthy weight as well as experience emotional/behavioural problems.</p>

		A full equality analysis will be undertaken as part of the business case.
	Car Park provision – Tylers Avenue and two other possible site locations	None specific – equality analysis to be undertaken as part of the decision making considerations.

Southend-on-Sea Borough Council

Report of Executive Director, Children & Public Health

to
Cabinet

on
16 January 2020

Report prepared by: Catherine Braun – Head of Service
Access and Inclusion

6

Agenda
Item No

School Admissions Arrangements for Community Schools and the Coordinated Admission Scheme for Academic year 2021/22

People Scrutiny Committee
Executive Councillor: Councillor Anne Jones
Part 1 (Public Agenda Item)

1. Purpose of Report

- 1.1 To determine the oversubscription criteria (including explanatory notes) and PAN within Admission Arrangements for Community Schools for the academic year 2021/22.
- 1.2 To note that the Determined Coordinated Admission Scheme for the academic year 2021/22 was published on 31st December 2019.

2. Recommendations

- 2.1 **To determine the oversubscription criteria (including explanatory notes) and Published Admission Number (PAN) within Admission Arrangements for Community Schools as set out in Appendix 1**
- 2.2 **To note that the Determined Coordinated Admission Scheme for the academic year 2021/22 was published on 31st December 2019 (Appendix 2).**

3. Background

- 3.1 The Council has the responsibilities to determine in relation to school admissions:
 - a) the Admission Arrangements for Community Schools (admission numbers, admission criteria and catchment areas);
 - b) set up a coordinated admission scheme for delivering admissions to the main rounds.
- 3.2 For community schools, the local authority (as the admission authority) **must** consult on the admission arrangements every 7 years if there are no changes. There are no changes proposed for 2021/22 and therefore the next time we have a duty to consult will be for the arrangements of 2025.

- 3.3 For community schools, the local authority (as the admission authority) **must** consult the governing body of each school where it proposes either to increase or keep the same Published Admission Number (PAN).
- 3.4 The governing body of each of the nine community schools was consulted and all confirmed they wish to keep the same PAN.
- 3.4 Cabinet approved the admission arrangements in September 2019 and no changes have been made since consulting schools.
- 3.6 Admission arrangements for community school must be determined by 28th February 2020 and included in a composite prospectus by 15th March 2020.

4. Other Options

- 4.1 The Council could have decided to publically consult on 2021/22 Admission Arrangements for Community Schools and Coordinated Admissions Scheme. Due to proposing no changes to arrangements and only minimal changes within the scheme to tighten clarifications, public consultation was unnecessary.
- 4.2 Not undertaking a public consultation does not change the requirement that Southend-on-Sea Borough Council must consult Governors of community schools on their PAN and inform schools of the minor changes to the coordinated scheme. This consultation took place and schools confirmed no change to their PAN or the scheme.

5. Reasons for Recommendations

- 5.1 The Council approved the admission arrangements and the Coordinated Admission Scheme 2021 in their meeting in September and this report is confirming final arrangements.
- 5.2 The Council did not propose any changes for admission criteria or catchment areas for community schools. Due to no change, there is no requirement for a public consultation and the arrangements can be determined.
- 5.3 The Council consulted individually the Governing Bodies of community schools as required for increased or unchanged PAN's. Schools confirmed that there are no changes to their PAN.
- 5.4 The Council is required to publish the Co-ordinated Admissions Scheme 2021/22, by 1 January 2020. Cabinet is asked to note that the previously agreed scheme has now been determined and published.

6. Corporate Implications

- 6.1 Contribution to the Southend 2050 Road Map
These arrangements will assist pupils within the Borough to access quality learning opportunities to achieve the best possible outcomes for all children. It fits well into the ambition of opportunity and prosperity, in that it supports sharing our

prosperity amongst all of our people. It further supports the ambition in that our children are school and life ready and our workforce is skilled and job ready.

6.2 Financial Implications

There are no direct financial implications for the Council. The administration of school admission, and core revenue funding for the running of a School is funded through the Dedicated Schools Grant.

6.3 Legal Implications

The determination of admission arrangements for community schools and the provision of a coordinated admissions scheme is a statutory requirement.

6.4 People Implications

None

6.5 Property Implications

None

6.6 Consultation

A full public consultation for community schools which reviewed the catchment areas and admission limits was undertaken for the admission arrangements 2019/20. As there are no changes for community school admission arrangements proposed for 2021 there is no requirement to consult.

A consultation on the coordinated scheme was undertaken, with all schools in the area, for the 2019/20 round and as there are minor changes to the 2021 scheme no consultation is proposed. The law on admissions requires consultation once every seven years even if there is no change to either policies therefore the next statutory consultation is due in 2025 for the 2026 admission round.

6.7 Equalities and Diversity Implications

A coordinated admissions scheme and clear oversubscription criteria are necessary to ensure fair access to school places. Admission Arrangements for Community Schools and the Coordinated Admission Scheme for Southend Schools have been written in line with mandatory requirements set by the Admissions Code 2014. The code determines that authorities must ensure that the practices and criteria used to decide the allocation of school places are fair, clear and objective and that parents should be able to easily understand how places are allocated.

In line with the Equality Act 2010, the arrangements and scheme are reviewed annually against an expanded list of protected characteristics as identified within the Admission Code: disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

The proposed Scheme, arrangements and decisions made through their administration are clear that there is no discrimination on the grounds of disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; or sexual orientation, against a parent who is applying for a school place or offered admission as a pupil.

There are limited exceptions to the prohibition of discrimination on grounds of religion or belief and sex. Schools designated by the Secretary of State as having

a religious character are exempt from some aspects of the prohibition of discrimination on the grounds of religion or belief and this means they can make a decision about whether or not to admit a child as a pupil on the basis of religion or belief. Single-sex schools are lawfully permitted to discriminate on the grounds of sex in their admission arrangements.

6.8 Risk Assessment

If the Council does not agree a scheme, one will be imposed by the DfE, and the Council's reputation will suffer.

6.9 Value for Money

No direct implications.

6.10 Community Safety Implications

None envisaged.

6.11 Environmental Impact

None envisaged

7. Background Papers

a. School Admissions Code 2014 —

<https://www.gov.uk/government/publications/school-admissions-code--2>

and School Admission Appeals Code 2012 -

<https://www.gov.uk/government/publications/school-admissions-appeals-code>

8. Appendices

a. Appendix 1 — Determined Admissions Arrangements for Community Schools for September 2021 including Published Admission Numbers on Page 2.

b. Appendix 2 — Determined Co-ordinated Admissions Scheme for September 2021.

**Determined Admissions Arrangements
for Community Schools
for September 2021/22 round of
admissions**

. For office use – statutory process: The School Admissions Code 2014

23 September 2019	Arrangements for Admission forum
17 September 2019	Cabinet draft consultation proposals, PAN consultation with Governing Bodies for community schools
19 th Sept – 31 st October 2019	
January - 28 th February 2020	Final Determined Admission Arrangements by Cabinet (post PAN consultation)
15 th March 2020	Publication of Composite Prospectus of Determined Arrangements
16 th March – 15 th May 2020	Window for Objections to the School Adjudicator.
12 th September 2020	Final arrangements for 2020 are published in the Primary booklet

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1. Introduction

Southend-on-Sea Borough Council is the admission authority for all community schools in the borough. This document sets out the formal policies for all borough community. The arrangements below, including the explanatory notes, are in line with government legislation and guidance (School Admissions Code 2014) and designed to ensure there is a fair, clear and reasonable admissions procedure for all applicants, and to help guide parents through the application process.

These arrangements apply to all admissions, including in-year admissions for the admission year 2021.

2. Community Schools Published Admissions Number 2021/22

Community Primary Schools	Proposed admission limit for 2021/22, for each year group
Barons Court Primary School & Nursery	35
Chalkwell Hall Infant School	120
Chalkwell Hall Junior School	120
Earls Hall Primary School	90
Edwards Hall Primary School	60
Fairways Primary School	60
Heycroft Primary School	60
Leigh North Street Primary School	90
West Leigh Infant School	120

3 Oversubscription criteria for community schools

Criteria are set for each individual school below and apply to all year groups for the year 2021. Explanatory notes, below, apply to all community school arrangements. The published admission limit for community schools is provided above.

If at the closing date for applications, there are not enough places for all those who have expressed a wish to have their child admitted to a community school; places will be allocated using the admission criteria as below. This will not apply to children with a statement of special educational needs (SEN) or Education, Health and Care (EHC) plans as the plan/statement names the school and therefore the child must be admitted to the named school. The admission criteria are listed below by school with explanatory notes following:

Barons Court Primary School & Nursery

1. Looked after children and previously looked after children;
2. Pupils who live in the catchment area who have a sibling attending the school;
3. Pupils who live in the catchment area;
4. Pupils who live outside the catchment area who have a sibling attending the school;
5. Pupils of staff at the school;
6. Pupils who live outside the catchment area.
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Chalkwell Hall Infant School

1. Looked after children and previously looked after children;
2. Pupils who live in the catchment area who have a sibling attending the school or Chalkwell Hall Junior School;
3. Pupils of staff at the school;
4. Pupils who live in the catchment area;
5. Pupils who live outside the catchment area who have a sibling attending the school or Chalkwell Hall Junior School;
6. Pupils who live outside the catchment area.
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Chalkwell Hall Junior School

1. Looked after children and previously looked after children;
2. Pupils attending year 2 at Chalkwell Hall Infant School;
3. Pupils who live in the catchment area who have a sibling attending the school or Chalkwell Hall Infant School;
4. Pupils of staff at the school;
5. Pupils who live in the catchment area;
6. Pupils who live outside the catchment area who have a sibling attending the school or Chalkwell Hall Junior School;
7. Pupils who live outside the catchment area .
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Earls Hall Primary School

1. Looked after children and previously looked after children;
2. Pupils who live in the catchment area who have a sibling attending the school;
3. Pupils of staff at the school;
4. Pupils who live in the catchment area;
5. Pupils who live outside the catchment area who have a sibling attending the school;
6. Pupils who live outside the catchment area .
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Edwards Hall Primary School

1. Looked after children and previously looked after children;
2. Pupils who live in the catchment area who have a sibling attending the school;
3. Pupils who live in the catchment area;
4. Pupils of staff at the school;
5. Pupils who live outside the catchment area who have a sibling attending the school
6. Pupils who live outside the catchment area
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Fairways Primary School

1. Looked after children and previously looked after children;
2. Pupils who have a sibling attending the school;
3. Pupils who live in the catchment area;
4. Pupils of staff at the school;
5. Pupils who live outside the catchment area .
(for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Heycroft Primary School

1. Looked after children and previously looked after children ;
 2. Pupils who live in the catchment area and have a sibling attending the school;
 3. Pupils who live in the catchment area;
 4. Pupils of staff at the school;
 5. Pupils who live outside the catchment area who have a sibling attending the school;
 6. Pupils who live outside the catchment area.
- (for all criteria, catchment area map and additional information please see explanatory notes and maps below)

Leigh North Street Primary School

1. Looked after children and previously looked after children;
 2. Pupils who live in the catchment area who have a sibling attending the school;
 3. Pupils of staff at the school;
 4. Pupils who live in the catchment area;
 5. Pupils who live outside the catchment area who have a sibling attending the school;
 6. Pupils who live outside the catchment area.
- (for all criteria, catchment area map and additional information please see explanatory notes and maps below)

West Leigh Infant School

1. Looked after children and previously looked after children;
 2. Pupils who live in the catchment area who have a sibling attending the school or West Leigh Junior School;
 3. Pupils of staff at the school;
 4. Pupils eligible for pupil premium who live in the catchment area;
 5. Pupils who live in the catchment area ;
 6. Pupils who live outside that catchment area who have a sibling attending the school or attending West Leigh Junior School;
 7. Pupils who live outside the catchment area.
- (for all criteria, catchment area map and additional information please see explanatory notes and maps below)

4. Explanatory notes, including maps, apply to all community schools in Southend-on-Sea

Parents must make a separate application for transfer from nursery to primary school and from infant to junior school. Parents must complete a Southend-on-sea Common Application Form (CAF) for applications to year reception and year 3 between 14th September and 15th January.

- 4.1 Pupils in public care and children that were previously in public care**
- Any reference to looked after children refers to children who are in the care of local authorities as defined by Section 22 of the Children Act 1989. In relation to school admissions legislation a 'looked after child' is a child in public care at the time of application to the school'. Any reference to previously looked after children means children who were adopted (or subject to residence or special guardianship orders) immediately following having been looked after. Looked after and previously looked after children are given the highest priority for each relevant age group and in all ranking.
- The admission into school for children previously in care but outside of England will be ranked in the same category as LAC/PLAC for all schools. (ref to letter dated 4th Dec 2017, Rt Hon Nick Gibb MP). Letter on SBC website http://www.southend.gov.uk/downloads/file/5484/rt_hon_nick_gibb_mp_-_letter_re_admission_of_children_adopted_from_care_outside_of_england

- 4.2 Pupils with Education, Health and Care Plans** All children whose statement of special educational needs (SEN) or Education, Health and Care (EHC) plan names the school must be admitted. Children with a statement or a plan will follow a different process for admission. Further information can be found on
http://www.southend.gov.uk/info/200225/children_with_disabilities/290/special_educational_needs
<http://www.southendinfopoint.org/kb5/southendonsea/fsd/localoffer.page>
- 4.3 Pupils eligible for pupil premium – Early years pupil premium (West Leigh Infant School)** Nurseries and schools are given a pupil premium/early years pupil premium for children who have qualified for free school meals at any point in the past six years. Parents will need to tick on the application form and/or supplementary information form or notify the Local Authority in writing if they are eligible or registered for pupil premium. Any disclosure for pupil premium will be used only to rank applications against the admission criteria and will not be held for any other purpose.
 Parents can check their eligibility by filling out the LA online form on:
www.southend.gov.uk/fsm
 Parents that are in receipt of one of the following may be eligible for pupil premium:
- Income Support
 - Income-based Job Seekers Allowance
 - Income-related Employment and Support Allowance
 - Support under Part VI of the Immigration and Asylum Act 1999
 - The Guaranteed Element of State Pension Credit
 - Child Tax Credit (if they not entitled to Working Tax Credit and have an annual income under £16,190)
 - Working Tax Credit 'run-on' - the payment someone may get for another 4 weeks after they stop qualifying for Working Tax Credit and Universal Credit
- 4.4 Pupils of staff of the school** Children will be ranked in this admission criteria if they are children of staff at the school in either or both of the following circumstances:-
 (a) where the member of teaching staff (including, staff that are at the school in positions, such as: Senior Leadership Team/level, Head of Year Group, Head of Department, Office Manager or Senco) that has been employed at the school for two or more years at the time at which the application for admission to the school is made,
 and/or
 (b) the member of staff is recruited to fill a vacant post for which there is a demonstrable specialist skill shortage.
- 4.5 Distance:** In the case of over subscription in any one category “straight line” distance will be used to measure the distance between the pupil’s home and the nearest pupil entrance to the school. Distances will be measured using the Local Authority’s computerised measuring system. The pupils living closest will be given priority. If the pupil’s home is a flat the distance will be measured to the main external entrance to the building.

- 4.5.1 Tie-Break** To be used to decide between two applications that cannot otherwise be separated: If the same distance is shared by more than one pupil, and only one place is available, the place will be awarded on the basis of a computerised random allocation process (supervised by someone independent of the Council / governing body). In the case where the last child offered is a twin or sibling of a multiple birth sibling both/all children will be offered and the sibling will be an 'excepted pupil'.
- 4.6 Distance where parents have separated** The distance is measured the same for all applications. Only one application can be received. The LA should not have the details of both parents or know of the marital status of the parents. If more than one application is received from parents, applications will be placed on hold until such time that:
- an application is made that both parents agree to; or
 - written agreement is provided from both parents; or
 - a court order is obtained confirming which parent's application takes precedence'.
- Details on address checks and which address is relevant are also provided in the admission booklet. In all cases the child's normal place of residence is applicable for the purposes of the application.
- 4.7 Infant to partner Junior admissions** Parents must apply in the main round to transfer from an infant school to the junior school. Parents must use the Council common application form (CAF) and submit the application between 14th September to 15th January. The Council offers a full coordinated process for admission to year 3.
- 4.8 Siblings** Siblings are considered to be a brother or sister, half-brother or half-sister, step-brother or step-sister, adopted brother or sister, living at the same address, who attends the school at the time of application with a reasonable expectation that he or she will still be attending at the time of the proposed admission. In the exceptional situation where one twin or one or two triplets are refused a place, in order to keep family members together and in line with the School Admissions Code 2014, the additional pupil(s) will be admitted even if this results in the admission limit for the year group being exceeded.
- 4.9 Waiting lists** Children's names will automatically be on the waiting list for schools that are higher on the rank list and for which they do not receive an offer (for years Reception and year 3). Parents will also have the opportunity to appeal against the refusal for schools for which they did not receive an offer. Appeals must be lodged within 20 school days of the date of the letter. Parents can access the information on appeals and also submit an appeal online on the council's web site www.southend.gov.uk/admissions or email admissions@southend.gov.uk to request an appeal application form. All appeals are considered by an Independent Appeals Panel.
- Waiting lists for all year groups for community schools are closed at the end of each school year.
- 4.10 Over and Under age applications** Parents may seek a place for their child outside of their normal age group, for example, if the child is gifted and talented or has experienced problems such as ill health. In addition, the parents of a summer born child may choose not to send that child to school until the September following their fifth birthday and may request that they are admitted out of their normal age group—to reception rather than year 1.
- Applications for over or under age applications in-year are handled in line with the School Admissions Code 2014, 2.17 (a & b). Such requests for Schools in Southend-on-sea are directly to the school and the school advises the LA of their decision. Requests for year 6 must have been submitted by the parent and considered by the admission authority before the closing date for applications to year 7, i.e. 31st October of any given year. Admission authorities must make decisions on the basis of the circumstances of

each case and in the best interests of the child concerned.

This will include documenting the following:-

- the parent's views;
- information about the child's academic, social and emotional development;
- where relevant, their medical history and the views of a medical professional;
- whether they have previously been educated out of their normal age group;
- and whether they may naturally have fallen into a lower age group if it were not for being born prematurely.
- They must also take into account the views of the head teacher of the school concerned.

When informing a parent of their decision on the year group the child should be admitted to, the admission authority must set out clearly the reasons for their decision. (2.17a School Admissions Code 2014)

In circumstances where a child transfers from another school already 'outside of normal age group', community schools and the LA will support any over or under age application where the above has been met and the LA is satisfied that the child should continue to be educated out of normal age group.

4.11 Admission of children below compulsory school age and deferred entry to school.

Most children start school on a full time basis, however parents can request that their child attends part time until reaching compulsory school age (the term after their 5th birthday). Once parents receive an offer and accept a place for their child during the normal admission round they can ask to defer the admission until later in the same academic year. Schools must accommodate these requests where it appears to be in the best interest of the child. Parents wishing their child to attend part time must discuss this with the headteacher of their allocated school. The approved deferment means that the place is held open and is not offered to another child and the parents must take up the place full time by the start of the Summer Term in April. Part-time agreements should include core teaching.

In the case of children born prematurely or the late summer months parents may request admission outside the normal age group. There is no statutory barrier to children being admitted outside their normal year group (DfE Guidance, Dec 2014). Due to the impact on future years for a child's schooling, requests to delay admission are very carefully considered by both the admitting authority and the parents. The decision to admit outside of a child's normal age group is made on the basis of the circumstances of each case. Any decision will seek a decision in the best interest for the child and be considered by a Panel of relevant persons. Parents applying for schools outside the Borough of Southend will need to consult the respective LA's policy in this regard. Parents submitting a request for admission outside the normal age group must also complete the Single application Form during the main admission round, 14th September – 15th January for the 'usual age group for their child'.

Requests for deferment of admission to community schools should be sent to the Council and for Academy and Voluntary aided schools directly to the school. Parents will need to provide the detailed reasons for their request including any supporting evidence from relevant professionals to enable their request to be given proper consideration. For community schools, parental requests to be addressed and sent to the Pupil Access Manager, School Admissions Team, Southend Borough Council.

The Pupil Access Manager will constitute a panel to consider the submission and the panel will only consider 'admission outside the normal age group', that is, whether or not a child can start school in the Reception year the year after they turn 5 years of age and not in year 1.

The panel will not consider requests for deferment within the reception year as requests can be made by parents directly to the Headteacher of the allocated school (School Admissions code 2012 section 2.16).

The panel will meet by the last week in February to consider applications from parents of children born prematurely or in the last summer months for admission outside the normal age group.

Admission authorities must make decisions on the basis of the circumstances of each case and in the best interests of the child concerned.

This will include documenting the following:-

- the parent's views;
- information about the child's academic, social and emotional development;
- where relevant, their medical history and the views of a medical professional;
- whether they have previously been educated out of their normal age group;
- and whether they may naturally have fallen into a lower age group if it were not for being born prematurely.
- They must also take into account the views of the head teacher of the school concerned.

When informing a parent of their decision on the year group the child should be admitted to, the admission authority must set out clearly the reasons for their decision. (2.17a School Admissions Code 2014)

In circumstances where a child transfers from another school already 'outside of normal age group', community schools and the LA will support any over or under age application where the above has been met and the LA is satisfied that the child should continue to be educated out of normal age group.

4.12 In-year admissions

As permitted by law parents can make an application at any time to any school outside the normal admissions. Parents can submit applications for community schools to the Admissions Team at the Council. Where places are available at preferred schools places will be offered. Where there are no places applicants will be refused and have the opportunity to join the waiting list for the schools. Waiting lists are ranked according to the admission criteria for schools. In some cases where a child is already on a school roll locally the place may be offered for the start of the next term.

4.13 Home Address

For all applications the address used will be the child's habitual normal place of residence as at the closing date for applications, i.e., 15th January (reception and year 3). Changes to address will be updated after all on time applications have been processed.

The relevant Coordinated Admissions Scheme and Primary Admission booklets should be read in conjunction to the Determined Admission Arrangements for all schools in the Borough of Southend-on-Sea. The Primary Admission booklet contains further details, provides more information and is written to support parents through the rounds.

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APPENDIX 2

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Southend-on-Sea Borough Council Determined Co-ordinated Admissions Scheme for admission 2021/22

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1. Introduction

- 1.1 The School Admissions Code places a duty on local authorities to formulate a single scheme for co-ordinating all applications to all publically funded schools from parents in their area. In the Borough of Southend-on-Sea, the scheme applies to admissions into reception, year 3 and year 7. Schemes for admission to schools must be formulated by 1 January in the determination year.
- 1.2 Determined admission arrangements to be provided to SBC, for the inclusion in the composite prospectus, between 28 February and no later than 7 March.

2. Aims and scope of the scheme

- 2.1 Aims of the scheme
 - 2.1.1 To facilitate the offer of one school place to each pupil.
 - 2.1.2 To simplify for parents the admission process into schools through the use of a Common Application form (CAF).
 - 2.1.3 To co-ordinate with neighbouring local authorities to avoid more than one school place being allocated to the same pupil.
- 2.2 Scope of the Scheme
 - 2.2.1 The scheme applies to families who are resident in Southend who are seeking admission into: reception year in primary and infant schools; year 3 in primary and junior schools and year 7 in secondary schools. The scheme excludes post 16 pupils.

3. Key Aspects of the Scheme.

- 3.1 As required by the School Admissions Code (SAC), Southend Borough Council (SBC) co-ordinates with other local authorities to ensure that a pupil only receives one offer.
- 3.2 SBC will co-ordinate admissions, for all schools including academy, community, foundation, free school and voluntary aided schools. Co-ordination is for all pupils into reception year, year 3 and year 7.
- 3.3 SBC will send offers of places to Southend residents even if the school is in another local authority. This includes offers on behalf of academy, community, foundation, free school and voluntary aided schools.
- 3.4 The CAF will enable parents to express:
 - up to 3 preferences for admission to a primary school; or
 - up to 5 preferences for admission to a secondary school.
- 3.5 Only SBC will know the ranking of the parental preferences. Preferences will be shared with other local authorities in so far as they relate to their schools. Parental

preferences may be shared with Admission Authorities for the purposes of admission appeals.

- 3.6 SBC will provide each school with a breakdown of preferences for their own school as on offer day.
- 3.7 In all cases academies, foundation, free school and voluntary aided schools will continue to be their Admission Authorities, will apply their own criteria and will continue to be responsible for the organising of admission appeals unless they wish to commission the school admissions team for this service.

4. General details of the scheme

- 4.1 Primary and secondary admissions up to the offer date
- 4.1.1 Parents will complete a Common Application Form (CAF) on which they will be able to express a preference for up to:
- 3 primary schools in order of priority; or
 - 5 secondary schools in order of priority.
- 4.1.2 Parents will be advised to apply on-line for a school place at www.southend.gov.uk/admissions but will be able to complete a paper common application form if they wish.
- 4.1.3 All CAFs must be sent to SBC which is the only body that can make offers to Southend parents on behalf of primary and secondary schools.
- 4.1.4 Alerts of pupils that have not applied will be made available to current settings, on request from Nursery Schools, but completed by default with schools to identify any barriers preventing on-time applications being submitted. Where a school does not share their on roll data with SBC they will need to provide the admissions team with a list of pupils on roll to identify the pupils who have not yet submitted an application.
- 4.1.5 Parents can express a preference for a school in another local authority as Southend co-ordinates admissions with other authorities. The offer of a place at a school in another local authority will be made by SBC on behalf of that local authority. Similarly other local authorities will offer places to their residents on behalf of Southend schools. The scheme requires councils to liaise before any offers are made on behalf of schools in the other council area.
- 4.1.6 The Southend coordinated scheme considers all preferences against the admissions criteria for the individual schools.
- 4.1.7 The booklets will detail which schools also require Supplementary Information Forms (SIFs). These may be obtained from either the school or the website. SIFs must be sent back to the individual school. SIFs for the Consortium of Selective Schools in Essex (CSSE) need to be downloaded from the CSSE website or by contacting the CSSE and completed forms need to be returned to the CSSE. These forms are not application forms and parents must complete the CAF. (See section 4.7 on SIFs and section 4.1.6 for the SIF for the Consortium of Selective Schools in Essex).

- 4.1.8 For each admission round there is a national closing date for receipt of the CAF. The deadline for receipt of any SIFs is set by individual schools and the Consortium of Selective Schools in Essex (CSSE). The date may be later than the national closing date. For registration for the selective test the closing date will be much earlier. Parents are encouraged to send in the CAF to SBC and any SIFs (if required) to the school as early as possible prior to the closing date. SIFs submitted after the closing date may not be used in the processing of that application until after national offer day.
- 4.1.9 Pupils taking the selective test, or aptitude tests or auditions will need to register with CSSE or schools to make the necessary arrangements.
- 4.1.10 If SBC receives any SIFs these will be forwarded onto the school or, where appropriate CSSE. Similarly if any school receives by mistake any CAFs these must be sent onto SBC. The responsibility for submitting of SIFs or CAFs rests with the parent.
- 4.1.11 Preliminary lists will be shared with voluntary aided schools to check CAFs against SIF's submitted before the closing date and just after to ensure applicants have completed the CAF as well as the SIF.
- 4.1.12 On-line applications will be downloaded into the admissions database. SBC will input into the admissions database all information shown on any paper CAF's, including any reasons for the application, and will provide details to all academy, foundation, free school and voluntary aided schools.
- 4.1.13 SBC will send to other local authorities details of pupils who have applied to schools in their area and will receive from other local authorities details of their pupils who have applied to Southend schools. The respective councils will send to their own schools a list of pupils who have applied to the school which will include both Southend and their own residents. It has been agreed by schools that are part of the CSSE that both SBC and Essex will send information on those pupils who have applied to take the selective test direct to the consortium.
- 4.1.14 SBC will exchange information with other Local Authorities who will provide details of the ranking of Southend pupils who have applied to their schools.
- 4.1.15 Academy, foundation, free school and voluntary aided schools and, where appropriate CSSE, are required to rank in order of the schools' criteria **all** pupils who have applied to their school and to return these lists to SBC by the agreed date. Applications that are not matched to a SIF (or where there is no SIF), must still be ranked against the schools oversubscription criteria i.e./ distance.
- 4.1.16 SEN pupils will be accommodated if the named school is identified in the finalised EHCP by 15 February for Secondary and 27 March for Primary (or next working day) of any given year.
- 4.1.17 SEN and LAC pupils may need to be admitted over number on initial allocation (for offer day) and the School Admissions Team will manage the school back to the PAN until the last week of August at which time the school takes over except for community schools or for schools that commission SBC for their in-year admissions.

- 4.1.17 SBC will match the parental preferences against the rank order lists returned by Southend schools.
- 4.1.18 The scheme operates according to the order in which parents select preferences. The order of preferences should reflect the order parents wish to be offered a place, but if for example parents are unsuccessful in gaining a place for the first preference school they are not disadvantaged in obtaining their second preference or their third preference etc. Schools do not receive details of the preference and have to put pupils in order of their admission criteria without knowing the preference. The process will continue until all preferences are exhausted.
- 4.1.18 SBC will provide any other local authority with details of any pupils resident in their area who can be offered places at schools in the Borough (and vice versa).
- 4.1.19 Where possible SBC will share allocation lists to schools and the CSSE as appropriate, before offer day. This will be dependent on the process being complete before offer day. Schools will be notified if it is not possible to send the lists to them. When lists can be sent, schools will be reminded of section 2.10 of The School Admissions Code 2014, in that school must not contact parents about the outcome of the applications until after these offers have been received. Schools must be mindful that parents that made a paper application may not receive the offer of a place for one or two days after the offer date.
- 4.1.20 SBC will send an offer of a single place to pupils applying for a school places on the offer day.
- 4.1.21 Parents who completed an online application will be advised of the outcome of their application by email on offer day, unless they indicate on the CAF that they would prefer a response by letter.
- 4.1.22 Parents who completed a paper CAF will be advised of the outcome of their application by 1st class post on offer day. Parents should expect to receive the letter within 1 to 2 days of the offer day.
- 4.1.23 Offers are automatically recorded as 'accepted' and parents will be given 10 school days to notify SBC if they wish to reject an offer of a school place. Parents who applied online will be able to do this by using the online facility.
- 4.1.24 Refusals must be received in writing from the applicant to SBC, refusals sent to the schools cannot be actioned by SBC until confirmation is received by the parent or the home LA if an out of area pupil.
- 4.1.25 SBC will not log a refusal unless the parents can provide details of the educational arrangements they are putting in place for their child.
- 4.1.26 For any pupil who has not been allocated a place at one of their expressed preferences SBC will offer them a place at the school in the Borough nearest to the home address with vacancies at that time. Such offers will not be made to selective or faith schools (unless arranged with the school/s)
- 4.1.26 Offer letters for the main round to years R, 3 and 7 will remind parents not to call schools on offer day and to call SBC

- 4.1.27 Only the LA will disclose offers and waiting list positions to parents. As lists are updated schools might not have accurate information (section 2.10 School admissions Code states duty lies with LA).
- 4.1.28 Schools that send welcome letters/packs will only do so four weeks after offer day to provide parents with the opportunity to consider offer and allow for any post offer day activity at SBC
- 4.1.29 Any places (that are in demand) will be reallocated if parents advise SBC that they no longer require a place.
- 4.1.30 SBC will adhere to the requirements of section 86, SSFA in regard to the management of preferences.

4.2 Summer Born Children

- 4.2.1 In the case of children born prematurely or late summer months* parents may request admission outside the normal age group.

*Summer born age: DfE 'Advice on the admission of summer born children' July 2013: 'Children born from the beginning of April to the end of August reach compulsory school age on 31 August. It is likely that most requests for children to be admitted out of their normal year group will come from parents of children born in the late summer months or those born prematurely'.

- 4.2.2 There is no statutory barrier to children being admitted outside their normal year group. Due to the impact on future years for a child's schooling, requests to delay admission are very carefully considered by both the admitting authority and the parents. The decision to admit outside of a child's normal age group is made on the basis of the circumstances of each case.

Parents may submit requests to SBC for any community schools and directly to Admission Authorities for Academy and voluntary aided schools. As the code requires that a decision is provided to the parents before offer day the on-time closing date for submissions is end February.

Any decision will seek an outcome in the best interest for the child and for community schools will be considered by a Panel of relevant persons. Parents applying for schools outside the Borough of Southend will need to consult the respective LA's policy in this regard.

The following items apply to SBC, for community schools only:-

- 4.2.3 Parents submitting a request for admission outside the normal age group must also complete the Common Application Form during the main admission round, 14 September – 15 January. Parents will need to provide the detailed reasons for their request including any supporting evidence from relevant professionals to enable their request to be given proper consideration.
- 4.2.4 The panel will only consider 'admission outside the normal age group', that is, whether or not a child can start school the year after they turn 5 years of age in the Reception year and not in year 1. The panel will not consider requests for deferment within the

reception year as requests can be made by parents directly to the Headteacher of the allocated school (School Admissions Code 2014 section 2.16).

- 4.2.5 The panel will normally consider applications from parents of children born prematurely or in the last summer months for admission outside the normal age group.

The following items apply for all applications, LA or OAA decision:-

- 4.2.6 If the parents case for delayed admission into reception is upheld by the panel, or the Own Admission Authority a new application for a place in the next cohort **must** be made in the following round (between September and mid-January) and would be considered along with all the other applicants for admission in that year. There would be no guarantee that a place would be offered in the preferred school.
- 4.2.7 If the parents request for delayed admission into reception is refused, the submitted application would follow due process in the round for the child's normal age group. After the offer of a place has been made the parent could then still request the allocated school to delay entry, attend part-time within the reception year group or the parent can delay admission to the following year for admission to year 1. The Head Teacher would need to consider each case and make a decision that is in the best interest of the child.
- 4.2.8 The full policy on applications to admit outside the normal age group for summer born children will be available in the primary admission booklet on the SBC website.
- 4.2.9 All admission authorities must keep a record of the decision to admit out of normal age group/delay starting school and the record should contain the following and must be provided to SBC for main rounds or on request:
- the parent's views;
 - information about the child's academic, social and emotional development;
 - where relevant, their medical history and the views of a medical professional;
 - whether they have previously been educated out of their normal age group;
 - and whether they may naturally have fallen into a lower age group if it were not for being born prematurely.
 - They must also take into account the views of the head teacher of the school concerned.

4.3 Co-ordination of pupil admissions to Year 3 of Southend junior schools 2021/22

The following paragraphs relate to pupil admissions to Year 3 in primary and junior schools and should be read in conjunction with the full scheme for the co-ordination of pupil admissions to infant/primary schools.

4.3.1 Applications will not be necessary for children moving from Year 2 to Year 3 in their existing primary school as this is a single legal establishment and Year 3 in that case is not a 'relevant age group'. However, parents of children in Year 2 of an infant school must complete and submit a form of application for their child to be admitted into Year 3 of another school, even if that is the 'partner' junior school.

4.3.2 The closing date for completing a common application form for a Year 3 place is 15 January 2021

4.3.3 SBC will liaise with infant schools in the area with lists of children that have applied to the 'partner' junior school. Schools will encourage parents that have not applied for year 3 to apply.

4.3.4 SBC will provide an initial list of application received via common applications forms to all junior schools by 26 January 2021

4.3.5 SBC will provide a list of all applications received via common application forms to all junior schools by 9 February 2021

4.3.6 Schools must rank applications according to their admission criteria and return the ranked list to SBC on the agreed dates. 26 February 2021

4.3.7 For all applications received by the closing date, from parents of Year 2 children (including children attending year 2 in an infant school), SBC will inform parents of the outcome of that application on 16 April.

4.3.8 There is full co-ordination for admission to year 3 as a normal admission round. This is because we have infant and junior schools in the borough and additional places at Bournes Green Junior School and West Leigh Junior School.

4.3.9 Applications submitted for children that are in the primary school that wish to remain in the same school will be withdrawn and parents will be advised that no application is required.

4.4 Co-ordinated arrangements between the offer date and start of autumn term.

4.4.1 From the offer day until the last week of August SBC will continue to co-ordinate admission arrangements and make all offers on behalf of primary and secondary schools in Southend.

4.4.2. Late and new preferences/applications will be slotted into the waiting lists by SBC in line with school admission arrangements. This will include using new address details where relevant and re-ranking applications to appropriate positions.

4.4.2 Where parents have refused the offer of the place then the vacant place will be offered in strict order of the waiting list until the place is accepted.

4.4.3 The offer of school places as they become available will continue to be made by SBC.

4.4.4 Once the final list is sent to schools on 22 August the coordination procedures for reception year, year 3 and year 7 will cease. SBC will continue to administer waiting lists and in-year admissions for all Community and identified Own Admission Authority schools as agreed. Admission Authorities wishing to manage their own waiting lists will do so from 22 August onwards. Waiting lists must be held at least until the end of the first term (December 2021).

4.5 Year 7 - Under and over age applicants

4.5.1 For admissions into year 7, an applicant is under age if he or she will be under 11 years of age on 31st August immediately prior to admission in September. SBC will only accept applications from under age applicants who have been registered in year 6 of their primary schools from the first day of the school year in which they apply for

a secondary school place. This effectively requires that the decision to promote the child to the year group above his/her chronological age group must be taken by the primary school prior to the end of the summer term in the calendar year in which the child applies for a secondary school place. Confirmation of this is likely to be sought from the headteacher of the primary school concerned by SBC.

- 4.5.2 An applicant is over age if he or she is 12 years of age or over on 31st August immediately prior to admission in September. SBC will not accept over age applicants for year 7 admissions unless there are verified exceptional circumstances for a child to repeat one of the primary school years, for example, extended illness. SBC will seek verification from the headteacher of the primary school concerned that an over-aged applicant has medically certifiable reasons or some other exceptional reason for being an over-aged applicant. SBC will wish to investigate especially thoroughly the circumstances through which any child is found to be studying in Year 6 for the second time, especially if this should involve an application to sit the CSSE selection tests for a second time. Medical evidence will be required for such applicants.
- 4.5.3 Ideally children should not miss a main round and be admitted to year R, 3 or year 7 outside their usual age group (in-year). Any exceptional decisions made must be well documented and meet the requirements of the School Admission Code in that they are in the 'best interest of the child'. Once a child, of statutory school age, has started the year and completed at least one term as an out of normal age group, they cannot apply via the coordinated round/main round for a second opportunity to year 6. Admission mid-year to move from year 7 back to year 6 would not be deemed in the best interest of a child due to the disruption and impact on emotional, social and mental health wellbeing.
- 4.5.4 All admission authorities must keep a record of the decision to admit out of normal age group and the record should contain the following and must be provided to SBC for main rounds:
- the parent's views;
 - information about the child's academic, social and emotional development;
 - where relevant, their medical history and the views of a medical professional;
 - whether they have previously been educated out of their normal age group;
 - and whether they may naturally have fallen into a lower age group if it were not for being born prematurely.
 - They must also take into account the views of the head teacher of the school concerned.

4.6 Overseas applicants – applications from children whose parents are living abroad and do not have a “home authority”

- 4.6.1 Parents who are living abroad and who wish their child to apply for a Southend school have no “home authority” (through which the regulations stipulate that all applications should be made). They can nonetheless apply through what is a proxy home authority (i.e. the Council area in which they intend to buy a house or settle the child with relatives). However, although they may apply in this way, no place will be offered until they can provide clear evidence of residency in this Borough and this may include the relevant immigration documents. In addition, proof of the home address/normal place of residence through either a house purchase, through exchange of contracts, or a long term letting agreement. The School Admissions Team would have to be satisfied that the child's normal place of residence would be at the address provided.

- 4.6.2 The CSSE will arrange for overseas applicants for year 7 to sit the selection tests overseas under invigilated conditions at an agreed test centre.
- 4.6.3 The admission into school for children previously in care but outside of England school be ranked in the same category as LAC/PLAC for all schools (ref to letter dated 4th Dec 2017, Rt Hon Nick Gibb MP). Letter on SBC website http://www.southend.gov.uk/downloads/file/5484/rt_hon_nick_gibb_mp_-_letter_re_admission_of_children_adopted_from_care_outside_of_england

4.7 New applications, late applications, changes of preferences and additional applications – for coordination of reception, year 3 and year 7

4.7.1 New applications:

Applications from parents moving into the area, who in the view of SBC could not have made an application by the closing date, will be slotted into the system when received but might only be processed after all on time offers are made. These will be regarded as new applications and will only apply for parents that could not have applied on time such as moving into the country.

Exceptional circumstances will be considered at the discretion of SBC. Moving from one borough to another would not normally be considered as an exceptional circumstance without additional circumstantial information.

If parents, that could not have made an application by the closing date but move and are living within the borough before 31 October for secondary applications and 15 January for primary applications, they will be slotted into the system and processed with on-time applications where possible.

4.7.2 Change of address/New applications/preferences for secondary, infant, junior and primary schools

Due to the high variations of address policies across the various LAs and Admission Authorities, regardless of home LA, addresses for schools in Southend-on-Sea are as per the child's normal place of residence (address) at 30 November, for Secondary Admissions a month after the closing date (31 October), and for Infant, Junior and Primary Admissions as at the closing date (15 January). Any change of addresses and new application that could not have reasonably been made by these dates would be at the discretion of the LA. Any addresses after these dates are updated after offer day for the transfer group (ie. 1 March or 16 April) and the applications re-ranked accordingly. Parents that could not have applied by the deadlines for the main rounds will be considered under 4.7.1.

4.7.2 Late applications

Applications received after the closing date from those who could have made an application on time, will be regarded as late and will therefore not be considered until all "on time" applications have been considered and the initial allocation of places are notified to parents. SBC will be the final arbiter, under the coordinated scheme, as to whether an application is late or not. Schools should apply their admission criteria to such late pupils but identification as "Late" by SBC will prevent schools from putting a ranking against these pupils when the full list is sent back to SBC.

4.7.3 Changes in preference

Changes in the order of preferences already expressed will not be accepted after the closing dates unless, the circumstances are deemed to be exceptional and the changes can be accommodated. Change of preference for schools under another local authority will be consulted on with the appropriate LA. Changes received after the closing date will be considered after the appropriate national offer date.

4.7.4 Additional preferences

Any additional preferences received after the closing dates will be considered after the offer date.

4.7.5 Southend-on-Sea Borough Council takes very seriously any attempt to gain unfair advantage in the admissions process by giving false information (for example providing a false address). Checks will be made with other departments in the Council and, where it is suspected that the family actually live outside Southend, contact will be made with the relevant Council. Where there is reasonable doubt as to the validity of a home address, the Council reserves the right to take additional checking measures including, in some cases, unannounced home visits. If, after offers of school places have been made, it is established that fraudulent or intentionally misleading information has been provided in order to gain a place at a primary or secondary school, the Council/own admission authority will withdraw any school place offered. If an offer of a school place is withdrawn under these circumstances the application would be considered afresh, (with proof of address or other relevant information) unless a new application form is deemed necessary and the parent advised of their right of appeal to an Independent Appeal Panel (2.12 of the Code) . If appropriate the withdrawal letter will be signed by both SBC and the admission authority.

4.7.6 Changes of address between offer day and the last week of August will be checked by SBC. Parents will need to provide proof of the home address in the form of; a house purchase; exchange of contracts, or a long term letting agreement. In all situations, SBC must be satisfied that it is the child's normal/habitual place of residence.

4.7.7 Places can be withdrawn up to the end of December in the situation where an offer is made in error or the application has been found to be fraudulent. Admission Authorities must inform SBC of any places withdrawn for the coordinated round up to December of each year and vice versa.

4.7.7 Schools must inform SBC of address, sibling or any other discrepancies in ranking lists or in information provided by parents on the enrolment forms post offer day.

4.8 Supplementary Information Forms

4.8.1 In order that they may seek further information to apply their admission criteria, the following schools require parents to complete a Supplementary Information Form (SIF) in addition to the appropriate application form.

School	Details
Primary:	
Our Lady of Lourdes Catholic Primary	For all applications
Sacred Heart Catholic Primary	For all applications
St George's Catholic Primary	For all applications
St Helen's Catholic Primary	For all applications
St Mary's, Prittlewell, C of E Primary	For all applications
Secondary:	
St Bernard's High School	For all applications
St Thomas More High School	For all applications
Shoeburyness High School	For year 7 applications for selective places
Southend High School for Boys	For all applications for selective places
Southend High School for Girls	For all applications for selective places
The Eastwood School	For year 7 applications for Sport / Performing Arts places
Westcliff High School for Boys	For all applications for selective places
Westcliff High School for Girls	For all applications for selective places

- 4.8.2 The SIFs for year 7 applications for selective places must be returned to the Consortium of Selective Schools in Essex (CSSE), for all rounds of admissions SIFs must be returned direct to the school.
- 4.8.3 Parents are encouraged to send in the CAF and any SIF as early as possible prior to the closing date. The SIF for selective and aptitude testing will be before the CAF closing date (also refer to sections 4.1.5 and 4.1.6).
- 4.8.4 All SIFs must clearly indicate that they are not application forms and that the appropriate application form must be completed. SIFs cannot request:
- any personal details about parents and families, such as maiden names, criminal convictions, marital, or financial status (including marriage certificates);
 - the first language of parents or the child;
 - details about a parent's, parent's or a child's disabilities, special educational needs or medical conditions;
 - parents to agree to support the ethos of the school in a practical way;
 - both parents to sign the form, or for the child to complete the form (School Admission Code 2014 section 2.4).
- 4.8.5 Schools must consult the School Admissions Code 2014 sections 1.9 and 2.4 when developing their supplementary information forms.
- 4.8.6 Schools must be mindful of siblings from multiple births in oversubscription criteria and where possible admit them.
- 4.8.7 Applicants must 'submit' online forms. Unsubmitted forms will not be processed. Applicants must have evidence of submitted forms therefore if application forms were posted they must have proof of postage and if applied online they must produce the automatic online receipt.
- 4.8.8 Applications must be submitted to local authority where council tax is paid (home authority). If an application is made to the wrong local authority the

application will not be processed and the applicant must submit an application to the home authority before the closing date, for it to be treated as on time.

4.9 Waiting lists

- 4.9.1 For the reception, year 3 and year 7 rounds of admissions, on offer day SBC will have a waiting list for each Southend oversubscribed school which will exclude any late applicant and late changes in preference. In most cases SBC will be able to rank the pupil from existing information, for example distance. Depending on the admission criteria a new application would then be slotted into the waiting list as appropriate.
- 4.9.2 SBC will maintain the waiting list as ranked by schools. Where any new pupil, such as a late application, is added to the waiting list SBC should be advised within 10 working days of where such pupils fit in relation to other pupils on the waiting list.
- 4.9.3 Where a vacancy does arise the place will be offered by SBC to the pupil on top of the waiting list.
- 4.9.4 A parent of a child at the top of the waiting list offered a place as a result of a vacancy having arisen will be expected to confirm, within 10 working days, whether or not they wish to accept the place.
- 4.9.5 SBC will maintain waiting lists for all community schools in the Borough for the full school year. Waiting lists for academy, foundation, free school and voluntary aided schools must be maintained by the school for at least the autumn term. Waiting lists will be maintained strictly in accordance with the admission criteria of the school concerned.
- 4.9.6 SBC will remove pupils from the waiting list who are offered and accept a place at a higher ranking school.
- 4.9.7 SBC will rank/re-rank pupils with address changes, late and new applications according to school admission arrangements after all on time offers are made or on the waiting list as appropriate.
- 4.9.8 Where, as part of the school admissions process, a parent is required to complete a SIF, SBC should be advised by the school within 10 working days of where such pupils fit in relation to other pupils on the waiting list. New pupils will not be added to the waiting list but will be at the bottom of the school list until this information has been provided by the school and the application can be slotted into the waiting accordingly.
- 4.9.9 All admission authorities must specify, in their arrangements, the period a child remains on a waiting list for each school year. For main round Reception, year 3 and year 7 it must be at least to December of the admission year. Community school waiting lists are held for the full school year that the application was made. Waiting lists, for all year groups close on the last day of the school year. Parents must reapply for the new school year if they wish to be added to the waiting list for the next school year, applications can be submitted from the start of the Summer Term.

4.10 Appeals

- 4.10.1 Parents have the right of appeal against a decision to refuse admission to a school which they had put as a preference.
- 4.10.2 Parents will initially be given 20 school days to appeal against the decision to refuse their application for a place at a particular school. However in line with the School Admissions Appeals Code 2012 any appeals submitted after the appropriate deadline must still be heard within statutory requirements.
- 4.10.3 Parents wishing to appeal for a place at any school in the Borough will be advised by SBC to read the on-line appeals information and complete the online appeal form which will be submitted to SBC. Paper copies of the appeals information and form will also be available if required. If the appeal relates to an academy, foundation, free school or voluntary aided school the form will immediately be sent to the school concerned for them to arrange the appeal unless the school have commissioned SBC to administer the schools appeals. Appeals for places at community schools will be organised by SBC.
- 4.10.4 SBC will advise parents wishing to submit an appeal in respect of a school outside the Borough to contact the Local Authority where the school is located to enquire about the appeal arrangements.
- 4.10.5 Schools will send lists of submitted appeals to SBC. SBC will record the appeal against the admission record and provide the school with all relevant documentation to enable the School to prepare for the appeal.
- 4.10.6 Academy, foundation, free school and voluntary aided schools must inform SBC within 5 school days of the outcome of any appeal. The outcome of any appeal does not mean that the parent will necessarily take up a place as they may have other appeals or may prefer the original place offered.
- 4.10.7 Having received notification from the school, parents will have 5 school days to confirm in writing to SBC which place they wish to accept following the outcome of any appeals. Once a place is released that place will be reallocated.
- 4.10.8 Admission authorities must comply with the School Admissions Appeals Code 2012 and must record all appeals and provide the data to SBC after all appeals are heard. In the main rounds appeals must be lodged at least 20 days from the date of notification of the refusals and must be heard within 40 school days.

5. Annual Review of the Scheme

- 5.1 Each year all local authorities must formulate and publish on their website a scheme by 1 January in the relevant determination year to co-ordinate admission arrangements for all publicly funded schools within their area.
- 5.2 The School Admissions Code confirms that if the Local Authority decides to continue to use the scheme from the previous year, this will fulfill the legal requirement to formulate a scheme. Local Authorities must consult admission authorities for schools affected by the scheme and other Local Authorities every 7 years as a minimum. If the scheme has changed substantially since the previous year, the Local Authority must

consult school governing bodies and other admission authorities in the area even if that is less than 7 years since the last consultation.

- 5.3 A local authority must inform the Secretary of State whether they have secured the adoption of a qualifying scheme by 15 April. If this is not achieved the Secretary of State may impose a scheme.

6. Council and school duties under the scheme

- 6.1 These are set out in the School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2014 and schools should refer to these if they have any queries.

- 6.2 In summary the main duties are:

Southend Borough Council

- To forward details submitted on the Common Application Form, together with any supporting information provided by the parent to the school or to any other local authorities as appropriate;
- To sort the lists received from schools, or other local authorities, and according to the preference expressed by the parent determine which school place should be offered;
- To forward onto schools information received from other local authorities pupils who have applied to Southend schools;
- To notify schools and other local authorities of the offers to be made;
- To make an offer to parents on national offer day on behalf of schools, including for schools in other local authorities.
- Maintain the waiting list and any subsequent offers for all schools in the borough until the end of August.
- To perform the full duties of an admission authority for community schools.
- To run appeals as required.

Admission Authority

- To notify Southend Borough Council, admissions team of any application made direct to the school;
- To notify Southend Borough Council, admission team of any in-year application and its outcome;
- To determine all applications in line with the school's admission criteria and to notify the Council of this.

7. List of schools to which the scheme applies

- 7.1 Southend Borough Council is the admission authority for community schools. The governing body is the admission authority for academy, foundation, free school or voluntary aided schools.

SECONDARY		
School Name	DfE Number*	Status**
Belfairs Academy	5434	Academy
Cecil Jones Academy	4001	Academy
Chase High School	4000	Academy
Shoeburyness High School	4034	Academy
Southchurch High School	4002	Academy
Southend High School for Boys	5446	Academy
Southend High School for Girls	5428	Academy
St Bernard's High School	5465	Academy
St Thomas More High School	5447	Academy
The Eastwood Academy	5414	Academy
Westcliff High School for Boys	5401	Academy
Westcliff High School for Girls	5423	Academy

PRIMARY		
School Name	DfE Number*	Status**
Barons Court Primary School & Nursery	2124	Community
Blenheim Primary School	2387	Academy
Bournemouth Park Academy	3822	Academy
Bournes Green Infant School	2128	Academy
Bournes Green Junior School (partner school)	2123	Academy
Chalkwell Hall Infant School	2022	Community
Chalkwell Hall Junior School (partner school)	2019	Community
Darlinghurst Academy	2127	Academy
Earls Hall Primary School	2023	Community
Eastwood Primary School	3825	Foundation
Edwards Hall Primary School	3826	Community
Fairways Primary School	2407	Community
Friars Primary School & Nursery	3824	Academy
Greenways Primary School	2104	Academy
Hamstel Infant School	2093	Academy
Hamstel Junior School (partner school)	2092	Academy
Heycroft Primary School	2126	Community
Hinguar Community Primary School	2094	Academy
Leigh North Street Primary School	2096	Community
Milton Hall Primary School	5273	Foundation
Our Lady Of Lourdes Catholic Primary School	2002	Academy
Porters Grange Primary School & Nursery	2001	Academy
Prince Avenue Academy	2000	Academy
Richmond Avenue Primary School	3823	Academy
Sacred Heart Catholic Primary School & Nursery	3326	Academy
St George's Catholic Primary School	3329	Academy
St Helen's Catholic Primary School	3327	Academy
St Mary's Prittlewell Church of England Primary School	3325	Voluntary Aided
Temple Sutton Primary School	2132	Academy
Thorpedene Primary School	5225	Academy
Westborough Academy	2004	Academy
West Leigh Infant School	2109	Community
West Leigh Junior School (partner school)	2108	Academy

*DfE codes and status for schools may be subject to change if status of school changes (e.g. Community to Academy).

8. Definitions

Academies – Schools funded directly by Central Government where the academy trust employs the staff and is the admission authority.

Admission Authority - The body responsible for setting and applying a school's admission arrangements. For community or voluntary controlled schools, this body is the local authority. For foundation or voluntary aided schools, this body is the governing body of the school. For Academies, this body is the Academy Trust.

Additional applications - An application from a parent who has already submitted an application and is requesting an additional school(s). This will normally be after the initial offer of places in March.

Admissions Forum – A body comprising of representatives from various groups which advises admissions authorities on admission arrangements in the area

Catchment area – A defined geographical area served by a particular school

Changes in preference - Changes in the order of preferences already expressed (that is not an additional application).

Community schools – Schools wholly funded by SBC, where the Council employs the staff and is the admissions authority.

CSSE – The Consortium of Selective Schools in Essex – a group of schools that are responsible for the selection test (11+) arrangements. The 10 schools below operate a consortium whereby only one test needs to be taken even though an application is being made to several schools. The schools are:

- Shoeburyness High School
- Southend High School for Boys
- Southend High School for Girls
- St Bernard's High School
- St Thomas More High School
- Westcliff High School for Boys
- Westcliff High School for Girls
- King Edward VI Chelmsford (Boys) – school in Essex
- Colchester County High School (Girls) – school in Essex
- Royal Grammar School, Colchester (Boys) – school in Essex

DFE - Department for Education – Central government department responsible for education matters.

Foundation schools – Schools funded by the Council, where the Governing body employs the staff and is the admissions authority.

Free School - are state-funded schools normally set up in response to parental demand. They have the same legal requirements as academy schools.

Late applications - Applications received after the closing date from those who could have made an application on time.

Looked After children and Previously looked after children – (LAC/PLAC) - Any reference to looked after children refers to children who are in the care of local authorities as defined by Section 22 of the Children Act 1989. In relation to school admissions legislation a 'looked after child' is a child in public care at the time of application to the school'. Any reference to previously looked after children means children who were adopted (or subject to child arrangements or special guardianship orders)

immediately following having been looked after. Looked after and previously looked after children are given the highest priority for each relevant age group and in all ranking.

The admission into school for children previously in care but outside of England will be ranked in the same category as LAC/PLAC for all schools. (ref to letter dated 4th Dec 2017, Rt Hon Nick Gibb MP). Letter on SBC website

http://www.southend.gov.uk/downloads/file/5484/rt_hon_nick_gibb_mp_-_letter_re_admission_of_children_adopted_from_care_outside_of_england

National Offer Day – the day on which all offers of places are made. For year 7 this is on or about 1 March and reception year and year 3 this will be on or about 16 April. In each case if the day falls on a weekend or bank holiday it will be next working day. The offer day will therefore be 1 March 2021 for secondary applications and 16 April 2021 for primary applications.

New applications - Parents who in the view of SBC could not have made an application by the appropriate closing date, for example, when moving into the area from abroad. Refer to item 4.7.1.

Non-selective places – school places offered without reference to the selective (11+) procedure.

Normal round of admissions – Under the Southend Coordinated Admissions Scheme, the normal round of admissions refers to admissions to reception, year 3 and year 7 up to 22 August.

Potential year 7 admissions – All pupils in year 6 in primary schools (whether or not that is their age appropriate cohort) who will transfer to secondary schools in the following September.

Common Application Form (CAF) – the common application form on which parents indicate their preferences

Selective places – places offered at certain schools as a result of the pupils' performance in the selection (11+) procedure.

SIFs – Supplementary Information Forms – forms on which parents are asked to provide additional information in support of their applications in order to provide more information to enable the school to apply their admission criteria. These are not application forms.

Southend Borough Council (SBC) – In the areas pertaining to this scheme the function of the Council will be undertaken by the School Admissions Team within the Department of People.

Specialist places – School places offered to a small number of pupils at certain schools as a result of an aptitude in certain areas of the curriculum

Voluntary Aided schools – Schools set up and owned by a voluntary body, usually a church body, largely financed by the Council. The governing body employs the staff and is the admission authority.

9. Key dates – Infant, Primary and Junior admissions September 2021

1st January 2020	Date for formulation of scheme
1 September to 11 September 2020	Publish Admissions Information Advertisements, fliers and letters to registered parents of early years children
14 September 2020	Admission round opens for applications
Early October 2020	Distribution of year 3 “letter/fliers” to year 2 pupils
Mid December 2020	Preliminary lists to faith schools for SIF follow up
14 September – 22 January	SBC admissions team verifying applications
15 January 2021	Closing date for admission applications
22 January 2021	Follow up list to faith schools for SIF follow up
31 January 2021	Initial list of preferences sent to admissions authorities and other local authorities for ranking. Initial list is a pre-ranked list.
9 February 2021	Final list of preferences sent to admissions authorities
15 February 2021	SEN pupils will be accommodated if the named school is identified in the finalised EHCP
26 February 2021	Closing date for schools to return ranked preferences
End February 2021	Closing date for on-time summer born requests
16 April 2021	Where possible, final offer lists and offer data will be sent to schools under embargo.
16 April 2021	National Offer Day.
30 April 2021	Closing date for responses to offers (refusals)
20 May 2021	Closing date for appeal forms (reference to the code 2.3 of School Admissions Appeals Code 2012 – must be submitted up to 20 days for one time appeals after offer day – date is in outcome letter to applicants)
16 July 2021	All on-time appeals completed
22 August 2021	The administration of waiting lists for years R and 3 and all in-year admissions handed over to academy, voluntary aided, and foundation schools.

10. Key dates – Secondary admissions September 2021

1st January 2020	Date for formulation of scheme
1 week in July 2020	Publication of Secondary Admissions Information (booklet) Admissions information distribution to year 5 pupils. Open evenings at schools that admit pupils as a result of testing / auditions
1 July – 7 September 2020	Registration for testing / audition
1 September 2020	Opening of on-line admissions facility for transfer to secondary school
Week beginning 1 September 2020	Distribution of reminder flier to year 6 pupils
XX September 2020*	11+ test (to be confirmed by the CSSE – dates will be available in the Admissions booklets)
XX September 2020*	Alternative test date (for religious, illness or exceptional circumstances) 11+ test (to be confirmed by the CSSE – dates will be available in the Admissions booklets)
5 October 2020	List of pupils not applied will be made available to current primary/junior schools to identify any barriers preventing on-time applications being submitted.
XX October 2020*	Testing results to be sent to parents by CSSE / schools (to be confirmed by the CSSE – dates will be available in the Admissions booklets)
w/c 19 October 2020	Follow up list of pupils not applied will be made available to current primary/junior schools to identify any barriers preventing on-time applications being submitted.
w/c 19 October 2020	Preliminary list to be sent to faith schools for SIF follow up
31 October 2020	Closing date for admission applications
w/c 9 November 2020	Follow up list to be sent to faith schools for SIF follow up.
w/c 23 November 2020	List of preferences to be sent to schools and other authorities for ranking.
w/c 4 January 2021	Closing date for schools to return ranked preferences
15 February 2021	SEN pupils will be accommodated if the named schools is identified in the finalised EHSP by 15 February
1 March 2021	Where possible, final offer lists and offer data will be sent to schools and CSSE under embargo.
1 March 2021	National Offer day
1 March 2021	Year 6 destination lists sent to primary/junior schools under embargo.
15 March 2021	Closing date for parents to refuse offer in writing.
w/c 22 March 2021	Updated lists sent to secondary schools post offer responses.
After 1 April 2021	Secondary schools to send welcome letter/packs a month after offer day

1 April 2021	Closing date for appeal forms (reference to the code 2.3 of School Admissions Appeals Code 2012 – must be submitted up to 20 days for one time appeals after offer day – date is in outcome letter to applicants)
w/c 24 May 2021	Updated lists sent to secondary schools and primary/junior schools for year 6 transfer.
14 June 2021	All on-time appeals completed – refer to School Admissions Appeals Code 2012 (reference to the code 2.3 of School Admissions Appeals Code 2012 – must be heard within 40 days for one time appeals after 1 April)
w/c 21 June 2021	Updated lists sent to secondary schools and primary/junior schools for year 6 transfer.
22 August 2021	The administration of waiting lists handed over to academy, voluntary aided, and foundation, free schools.



Southend on Sea Borough Council, Department of People, Civic Centre, Victoria Avenue,
Southend on Sea SS2 6ER

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Southend-on-Sea Borough Council

Agenda
Item No.

7

Report of Executive Director, Children & Public Health

to
Cabinet

on

17 January 2020

Report prepared by:
Cathy Braun, Head of Access & Inclusion

Maintained School Term Dates 2020/21

People Scrutiny Committee
Cabinet Member: Councillor Anne Jones
Part 1 (Public Agenda Item)

1. Purpose of Report

- 1.1 To propose the guideline school term and holiday dates for the academic year 2021/22.

2. Recommendations

- 2.1 **That the school term and holiday dates for 2021/22 as set out in Appendix 1 be approved for community schools and as a guide to all schools in the borough.**

3. Background

- 3.1 There is no national determination of school term dates. Historically the Council has set the term dates for community schools in Southend. In the main, academies, foundation and voluntary aided schools have chosen to adopt dates set by the Council, although there is no requirement to do so.
- 3.2 In view of the cross border movement with Essex County Council of both pupils and staff, the coordination with Essex has been an important principle. The proposed dates are in line with the Eastern Region term dates and have been shared with Essex County Council. It is not clear at the time of writing if Essex County Council will be changing their dates post their consultation.
- 3.3 School term dates are determined in accordance with legal requirements, identifying that there should be 190 pupil days and five non-pupil days allocated to staff development.
- 3.4 Schools have the autonomy to set the five allocated non-pupil days in accordance with the individual needs of the staff development for the school.

- 3.5 It is recommended that we proceed with the dates as set out in Appendix 1.

4. Other Options

- 4.1 To ensure consistency with neighbouring authorities, incorporate public holidays and provide the statutory number of dates alternatives are very limited.

5. Reasons for Recommendations

- 5.1 The proposed term dates for 2021/22 are set out in Appendix 1.
- 5.1.1 A consultation was held with all schools in the borough between 27 November to 13 December 2019 and no comments or objections were received. There is no requirement to consult with parents and carers.
- 5.1.2 The recommended term dates provide consistency with neighbouring authorities, whilst remaining compliant with legislation.

6. Corporate Implications

- 6.1 Contribution to the Southend 2050 Road Map
The proposed term dates will assist pupils within the Borough to access quality learning opportunities to achieve the best possible outcomes for all children (opportunity and prosperity).

In addition, it contributes to Active and Involved, enabling children to participate in community and family activities together, at set times during the calendar year.

- 6.2 Financial Implications
There are no direct financial implications for the Council. The administration of the term dates, and core revenue funding for the running of a School is funded through the Dedicated Schools Grant.
- 6.3 Legal Implications
The determination of term dates for community schools is a statutory requirement.
- 6.4 People Implications
Coordination with Essex is important for pupils and staff.
- 6.5 Property Implications
None
- 6.6 Consultation
A consultation with all schools in the borough and union representatives for schools and teaching staff was undertaken in the period 27 November to 13 December 2019.

6.7 Equalities and Diversity Implications

In line with the Equality Act 2010, the proposed term dates are clear that there is no discrimination on the grounds of disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; or sexual orientation, in that they are the same for all pupils in the borough

6.8 Risk Assessment

If the Council does not agree to the term dates as a guide for all schools, schools will very likely set a variety of dates, resulting in an uncoordinated and general unified process, and the Council's reputation will suffer.

6.9 Value for Money

No direct implications.

6.10 Community Safety Implications

None envisaged.

6.11 Environmental Impact

None envisaged

7. Background Papers

- The Education Act 2002 - section 32
- The Education Act 1996 – section 551(1)

The Education (School Day and School Year) (England) Regulations 1999

8. Appendices

Appendix 1 – Proposed Southend-on-sea Term dates 2021/22

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Proposed Southend-on-Sea School Term and Holiday Dates for Community and Maintained Schools Academic Year 2021/22

September 2021							October 2021							November 2021							December 2021						
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
		1	2	3	4	5					1	2	3										1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	1	2	3	4	5	6	7	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	8	9	10	11	12	13	14	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	15	16	17	18	19	20	21	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	22	23	24	25	26	27	28	27	28	29	30	31		
														29	30												
January 2022							February 2022							March 2022							April 2022						
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
					1	2	31	1	2	3	4	5	6		1	2	3	4	5	6					1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28							28	29	30	31				25	26	27	28	29	30	
May 2022							June 2022							July 2022							August 2022						
M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S
						1			1	2	3	4	5					1	2	3	1	2	3	4	5	6	7
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	29	30	31				
30	31																										



= Schooldays & Weekends



= School holidays



= Bank holidays

**In addition, schools allocate five non-pupil days out of the school days indicated,
or the equivalent in disaggregated twilight sessions.**

Autumn Term:	Wednesday 1 September 2021 – Friday 17 December 2021 <i>Half Term 25 October – 29 October</i>	73 days
Spring Term:	Tuesday 4 January 2022 – Friday 1 April 2022 <i>Half Term 14 February – 18 February</i>	59 days
Summer Term:	Tuesday 19 April 2022 – Friday 22 July 2022 <i>Half Term 31 May – 3 June, and May Bank Holiday, 2 May</i>	63 days
		<u>195 days</u>

Please note: The above dates may vary for individual schools, especially Foundation, Voluntary Aided schools and Academies, who can set their own term dates. You are strongly advised to check with your child's school before making any holiday or other commitments.

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Southend-on-Sea Borough Council

**Report of Chief Executive
to
Cabinet
on
16th January 2020**

Report prepared by:
Nicola Spencer & Louisa Thomas
Data & Insights Analysts

**Agenda
Item No.**

8

Additional Outcome Success Measures Reporting

Cabinet Member: Councillor Gilbert

All Scrutiny Committees

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To review the additional Outcome Success Measures report that provides an update on the council's progression on the 23 Southend 2050 outcomes. This report will be presented to Cabinet and the People, Place and Policy & Resources Scrutiny Committees in January 2020.

2. Recommendations

- 2.1 To consider any further data and insights for this report.

3. Background

- 3.1 The Outcome Success Measures report is a high level summary of the council's corporate performance and progression over the subsequent quarter on the high level strategic priorities.
- 3.2 Outcome Delivery Teams provide a strategic narrative once a quarter on the progress made on the delivery of the Southend 2050 outcomes and activity on the 2023 Roadmap (milestones). The report also contains a snapshot of key place data which will be updated as available throughout the year.
- 3.3 The agreed timetable for reporting the Outcomes Success Measures report is as follows:

		To be presented to Cabinet:
Quarter 1	April – June 2019	September 2019
Quarter 2	July – September 2019	November 2019
Quarter 3	October – December 2019	February 2020
Quarter 4	January – March 2020	June 2020

- 3.4 Furthermore, it was agreed that there would be additional reporting aligned to the scrutiny cycle in January 2020. This report fulfils this function.

4. Structure and format

- 4.1 This highlight report displays a visual progress report on the 2023 Roadmap milestones, the key Outcome Success Measures for each Southend 2050 theme, and a narrative update on the progress made and planned to date for each milestone on the 2023 Roadmap, organised by theme.
- 4.2 An Annual Information page is included, giving a current snapshot of key place-based data.

5. Reporting Dates

- 5.1 The highlight report will be tabled as follows:

Meeting	Date
CMT	20 November 2019
EB	17 December 2019
Cabinet	16 January 2020
Place Scrutiny Committee	28 January 2020
People Scrutiny Committee	29 January 2020
Policy & Resources Scrutiny Committee	30 January 2020

6. Reasons for Recommendation

To drive the delivery of the Southend 2050 ambition through robust and strategic performance management arrangements.

7. Corporate Implications

Contribution to Council's Ambition & corporate priorities:
To strategically monitor the council's corporate performance and achievements against the 2050 Road Maps and Outcomes.

8. Financial Implications

There are no financial implications.

9. Legal Implications

There are no legal implications.

10. People Implications

People implications are included in the monitoring of performance relating to the council's resources where these relate to the Council's priorities.

11. Consultation

The new performance framework and measures to be included in future performance reporting are included in the Strategic Delivery Plans which were developed through extensive consultation and engagement to articulate the Southend 2050 ambition.

12. Equalities Impact Assessment

The priorities and outcomes contained with the Five Year Road Map are based upon the needs of Southend's communities. This has included feedback from consultation and needs analyses.

13. Risk Assessment

The Corporate Risk Management Framework shall be managed alongside the new monitoring for corporate performance. This information shall form part of the new corporate risk register that is managed by the Audit Team.

14. Value for Money

Value for Money is a key consideration of the Southend 2050 Performance Framework, including the outcome-based investment work, to help assist in identifying Value for Money from services.

15. Community Safety Implications

Performance Indicators relating to community safety are included in the Strategic Delivery Plans as well as the Southend 2050 – Annual Place-based Report.

16. Background Papers

16.1 Monthly Performance Reports (MPRs) from April 2018 to March 2019.

16.2 Outcome Success Measures Reports from periods 1 and 2 2019/20.

17. Appendices:

17.1 Appendix 1: Outcomes Success Measures Highlight Report January 2020

OUR
SHARED
AMBITION

SOUTHEND
2050
it all starts here

Outcomes Success Measures Highlight Report
January 2020

Southend 2050: Five Themes and 23 Outcomes for 2023

Pride & Joy

PJ 01 - There is a tangible sense of pride in the place and local people are actively, and knowledgeably, talking up Southend.

PJ 02 - The variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors.

PJ 03 - We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset.

PJ 04 - Our streets and public spaces are clean and inviting.

Safe & Well

SW 01 - People in all parts of the borough feel safe and secure at all times.

SW 02 - Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives.

SW 03 - We are well on our way to ensuring that everyone has a home that meets their needs.

SW 04 - We are all effective at protecting and improving the quality of life for the most vulnerable in our community.

SW 05 - We act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.

Active & Involved

AI 01 - Even more Southenders agree that people from different backgrounds are valued and get on well together.

AI 02 - The benefits of community connection are evident as more people come together to help, support and spend time with each other.

AI 03 - Public services are routinely designed, and sometimes delivered, with their users to best meet their needs.

AI 04 - A range of initiatives help communities come together to enhance their neighbourhood and environment.

AI 05 - More people have active lifestyles and there are significantly fewer people who do not engage in any physical activity.

Opportunity & Prosperity

OP 01 - The Local Plan is setting an exciting planning framework for the Borough.

OP 02 - We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities.

OP 03 - Our children are school and life ready and our workforce is skilled and job ready. Leads

OP 04 - Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough.

OP 05 - Southend is a place that is renowned for its creative industries, where new businesses thrive and where established employers and others invest for the long term.

Connected & Smart

CS 01 - It is easier for residents, visitors and people who work here to get around the borough.

CS 02 - People have a wide choice of transport options.

CS 03 - We are leading the way in making public and private travel smart, clean and green.

CS 04 - Southend is a leading digital city with world class infrastructure.

Annual Information

Unemployment
3,620 – 3.2%
September 2018

4,020 – 3.6%
September 2019

£288,455.00
Average house price Southend
(August 2019)

£251,233.00
Average house price England
(August 2019)

182,500

Mid-year Population Estimate
for Southend
(Nomis July 2018)

1,035

New businesses (2017/18)

1,115

Businesses closed (2017/18)

Teenage conception for under
18's rate of 24.3 per 1,000
(number 70)
(2017)

Transport

National Highways and Transport (NHT)
Public Satisfaction Survey (2018/19)

75%

of people found it
easy to get around
the borough

63%

of people with a
disability found it
easy to get around
the borough

72%

of people who do
not have a car
found it easy to get
around the borough

Early Years Foundation Stage
Profile

Achieving a Good Level of
Development
74.0%
2018/19

Trees

Figures do not include whips

In 2016/17 we planted 322
trees and removed 310

In 2017/18 we planted 279
trees and removed 373

In 2018/19 we planted 384
trees and removed 412

56%

Agree people from different
backgrounds get on well
together*

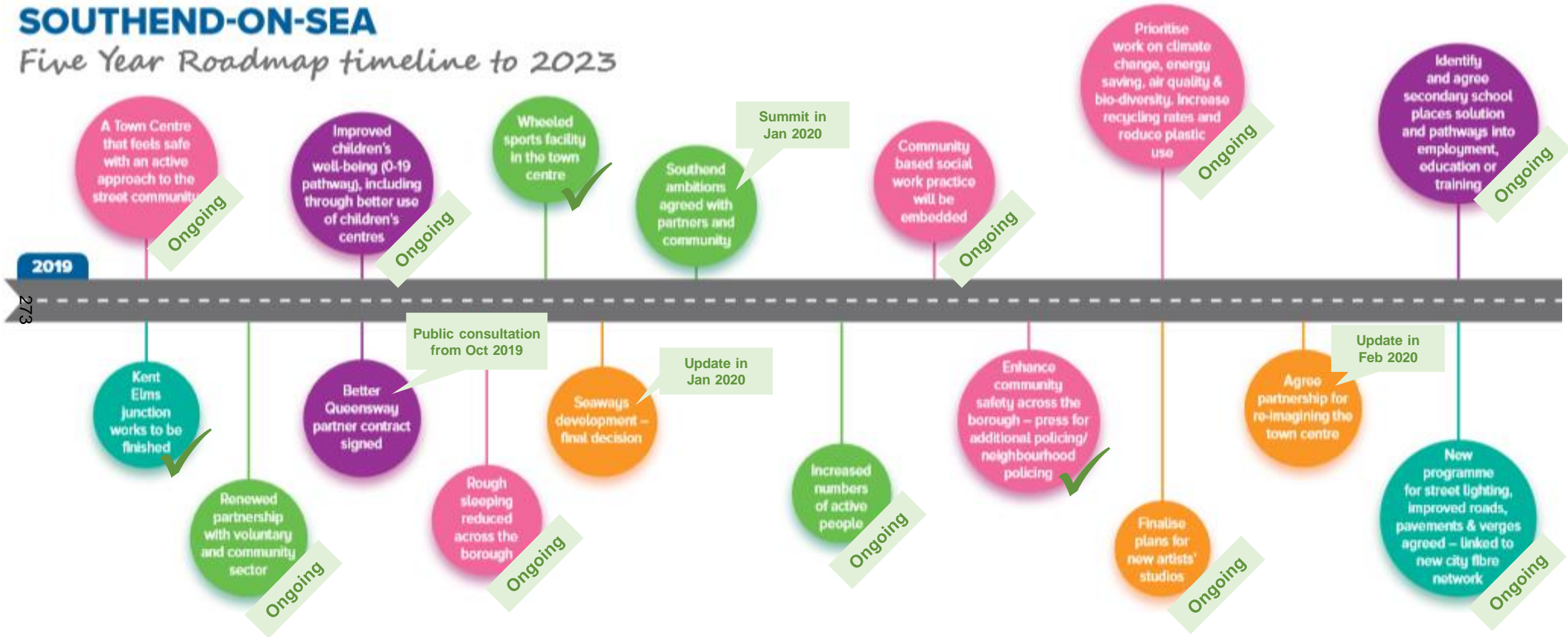
75%

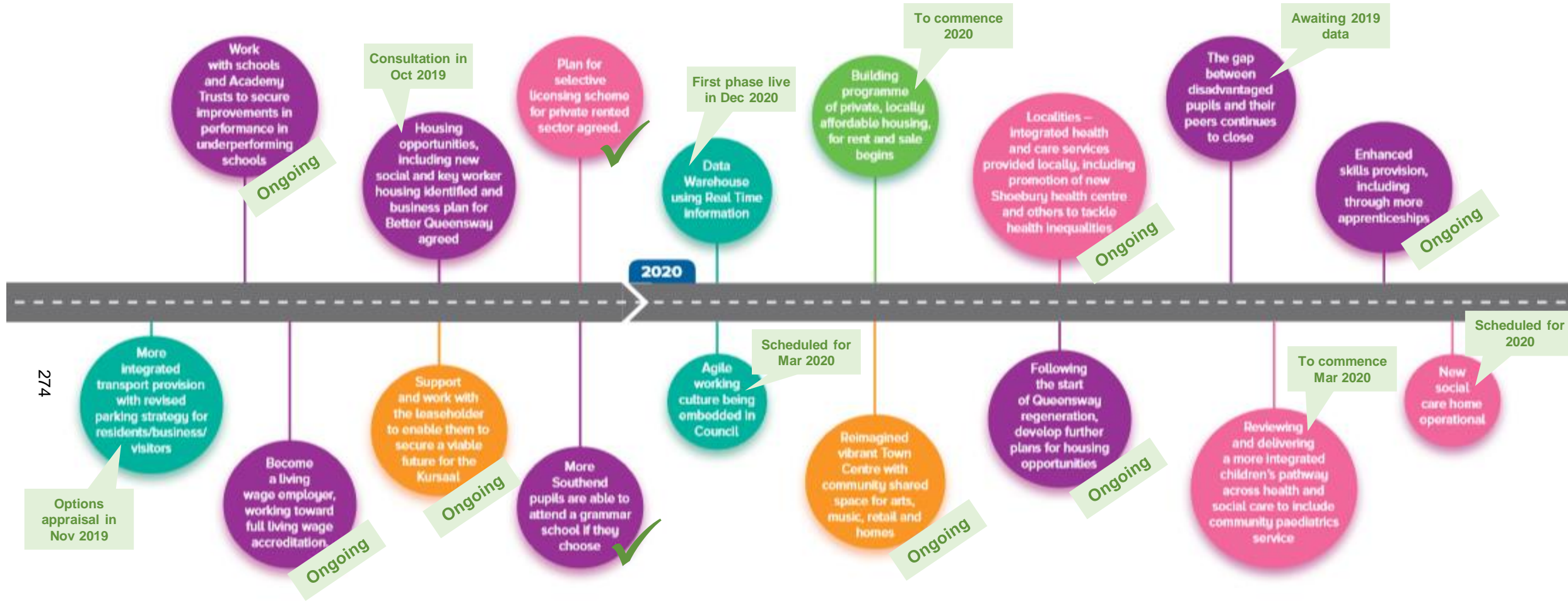
Satisfied with local area
as a place to live*

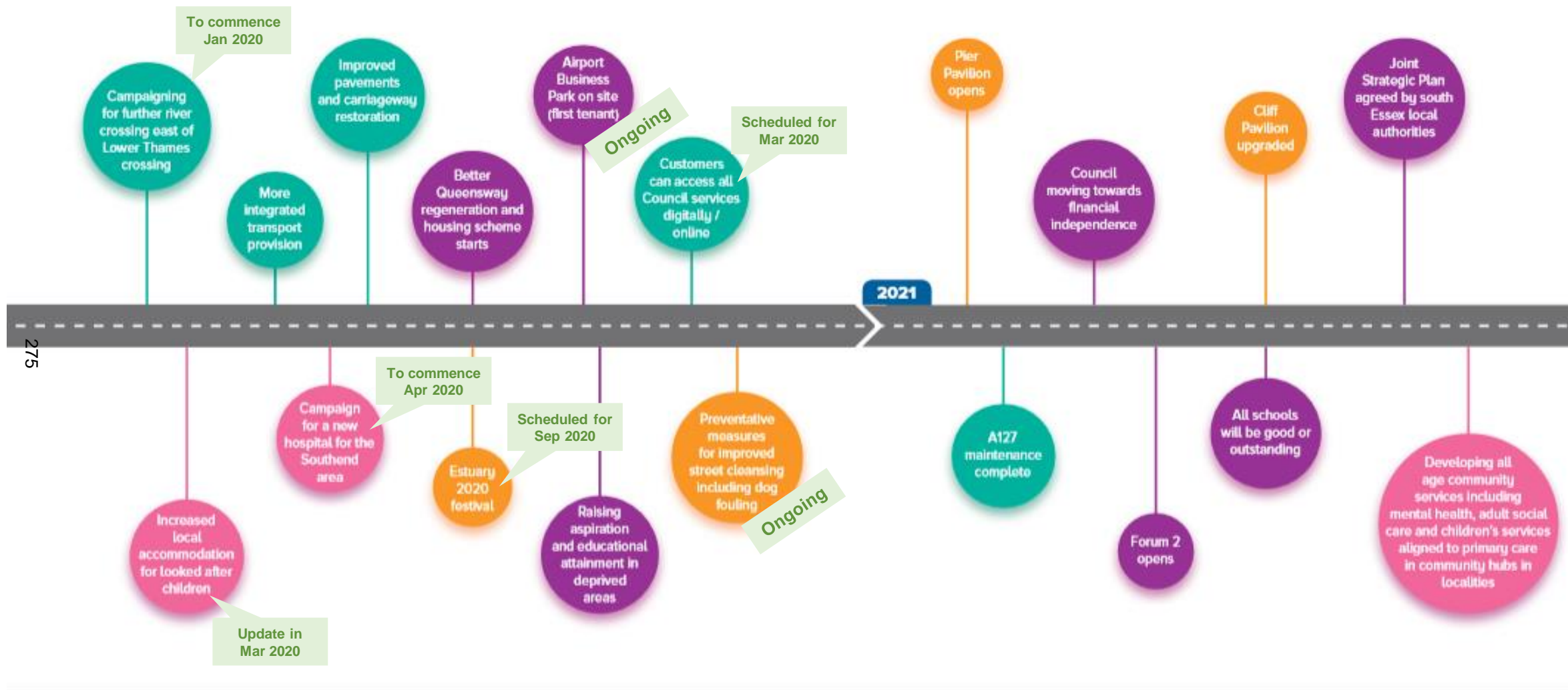
*2018 residents' perception survey, sample 1239 Southend residents

SOUTHEND-ON-SEA

Five Year Roadmap timeline to 2023







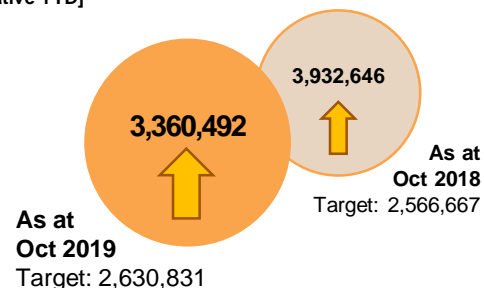


Key insights

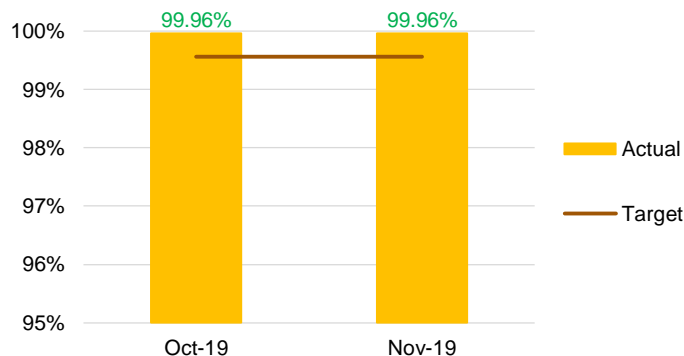
- For Nov 2019, there were 648 reported missed collections, representing 0.04% of 1.8m collections per month and meaning that 99.97% of collections were successfully carried out as scheduled. Current performance is on track to meet the annual target of 94% (which is equivalent to 8000 missed collections per year). YTD the figures demonstrate an exceptional level of cleansing.
- Pier admission figures for Nov 2019 were 11,124 – the best Nov admission figures seen in the last decade, topping the 2017 figure of 10,487 and despite the occasionally wet weather. This has been helped by the “Santa on the Pier” event which promises to deliver healthy figures for Dec 2019 too.
- Social media campaigns ran this period on promoting Southend as a digital city, trees, County Lines, voter registration and Remembrance Day, resulting in a collective reach of over 100,000.

Participation and attendance at Council owned / affiliated cultural and sporting activities and events and the Pier

[Cumulative YTD]

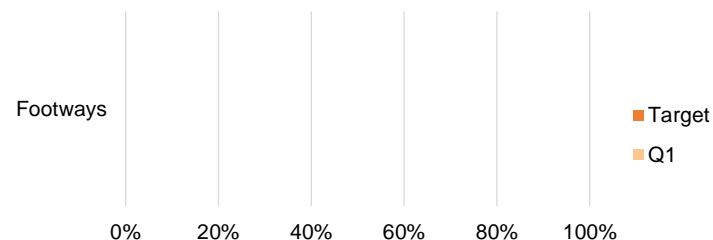


Percentage of successful waste collections per month



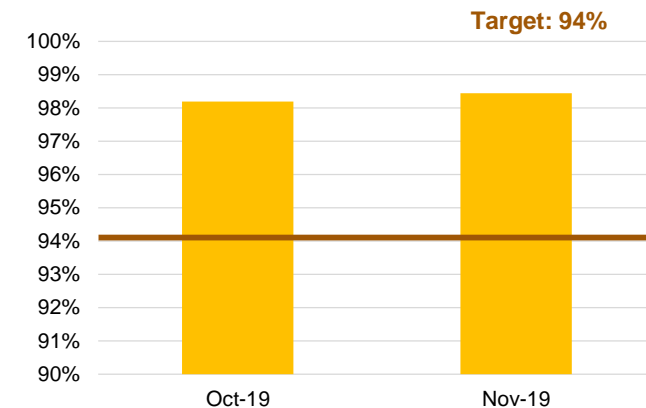
Safety Inspections completed on time

Awaiting data



Acceptable standard of cleanliness: litter

[Cumulative YTD]



Social Media Campaigns in Oct / Nov 2019

80,224

people reached by the Register to Vote campaign

1,328

views of the new Digital Southend webpage

590,000

views of our “County Lines” cinematic video ad



Current progress - (Quarter 1 and 2 2019/20 onwards)

Milestone – “Seaways development”

- Cabinet report of Jan 2019 agreed Jan 2020 as likely final date to agree progress.

277 Milestone – “Finalise plans for new artists studios”

- Forum 2 is progressing through the planning process, with all internal design work completed as part of RIBA Stage 4. The council's portion of the building will see a new gallery space for the Focal Point Gallery, delivering a more ambitious exhibition and performance programme, and a suite of digital artist studios, including green screen facility, post production and sound recording, and a new project space for an increased creative learning programme, focusing on creative skills development
- Public and peer consultation workshops are taking place to involve citizens in how the facility will integrate into the community
- A business plan for the revenue budget for running Forum 2 has been developed

Milestone – “Agree partnership for re-imagining the town centre”

- Scrutiny report and recommendations agreed by June 2019 Cabinet. External funding secured and aligned with the town centre outcome and Scrutiny Project actions
- Activity includes a consultation on the Sunrise work to develop a scheme, developing schemes for public realm improvements between Warrior Square, Whitegate Road, Tylers Avenue and York Road, which will deliver greening and shaded seating. Work to convene the strategic town centre group in place

Milestone – “Support and work with the leaseholder to enable them to secure a viable future for the Kursaal”

- Discussions held with Kursaal owner representative, looking at ways to let the space and bring building back to use.

Future milestones:

Further funding opportunities are being explored



Continued current progress - (Quarter 1 and 2 2019/20 onwards)

Milestone – “Reimagined vibrant Town Centre with community shared space for arts, music, retail and homes”

- Scrutiny report to Jun 2019 Cabinet
- Business proposal ongoing to look at central community hub; identified shop front for community hub.

Milestone – “Estuary 2020 festival”

- Festival scheduled to start in Sep 20. Historic structures on Garrison site visited by artists looking to be involved with festival. Metal is working with Shoebury CIC, EWT and SBC on project.

Milestone – “Preventative measures for improved street cleansing including dog fouling”

- 30 beach litter bins ordered to use for next years activities, volunteer-led beach cleaning litter picks ongoing.
- Dog fouling DNA solution considered and rejected by Nov 2019 Cabinet.

Future milestones:

20 new cigarette bins to be placed in high street to target smoking litter

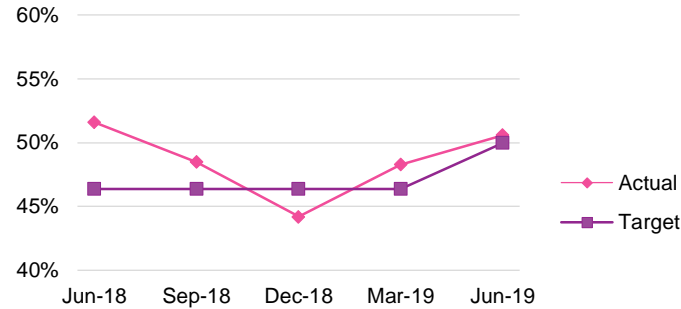
SAFE & WELL

Key insights:

- The issuing of EHC plans within 20 weeks is ahead of target but showing a 1.2% decrease, the first since Apr 19 – representing one plan so far this financial year which has exceeded the 20-week deadline. Six EHC plans were finalised during Oct; 81 plans now finalised to date in this financial year.
- The proportion of adults in contact with secondary mental health services who live independently with or without support has decreased month-on-month since Jun 19 by an average of 1.6% per month. A targeted piece of work is underway with Essex Partnership University NHS Foundation Trust (EPUT) to identify the cause of the decrease in performance.
- Oct 2019 saw a rate of 2.35 households per 1000/pop in TA against a benchmark of 3.51, equalling a total of 186 households. Work is underway to improve availability of private sector properties to discharge our homelessness duty into, relieving some pressure on the limited social housing stocks and reducing TA occupation levels.
- A reduction in incidents reported to the CSU has been noted since Oct 2019, this may be due to the colder weather. 18 Community Protection Notices / Warnings have been issued since Apr 2019.
- Rate of 85.9 LAC per 1000/pop in Oct 19, or 340 children. Timescales for health assessments and visits for LAC remain under target, focussed work continues to address the resourcing and recording issues that are creating these pressures.

Percentage of household waste sent for reuse, recycling and composting

[Cumulative YTD]



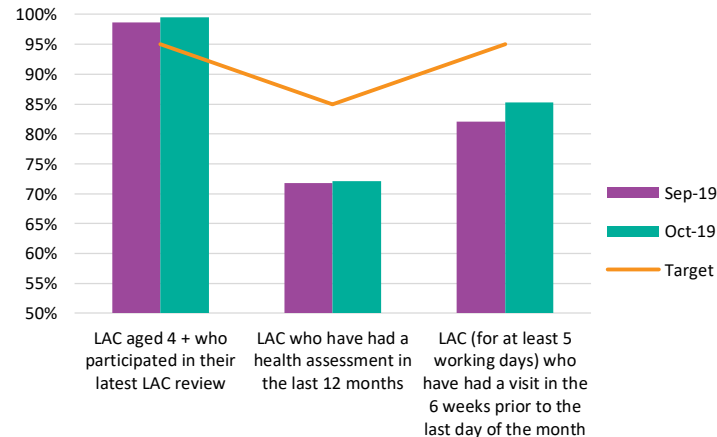
Education Health Care plans issued within 20 weeks (excluding exception cases (SEND))

[Cumulative YTD]

Total plans issued during 2019/20: 81
Period: as at Oct 2019
Target: 96%

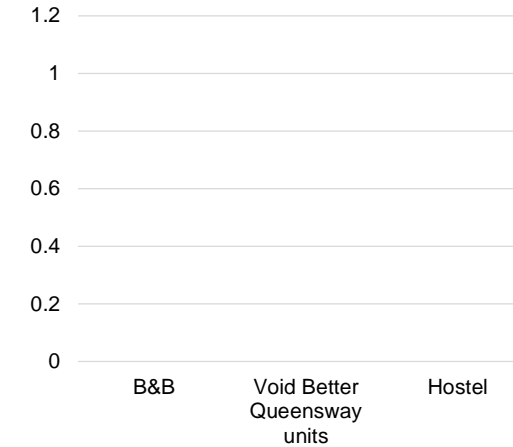
98.8%

Looked After Children (LAC)



Families in Temporary Accommodation (TA)

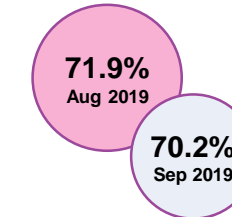
Awaiting data



H008: Total number of children in TA
(data for 2018 not available)

■ No. of children
◆ No. of households

Mental Health

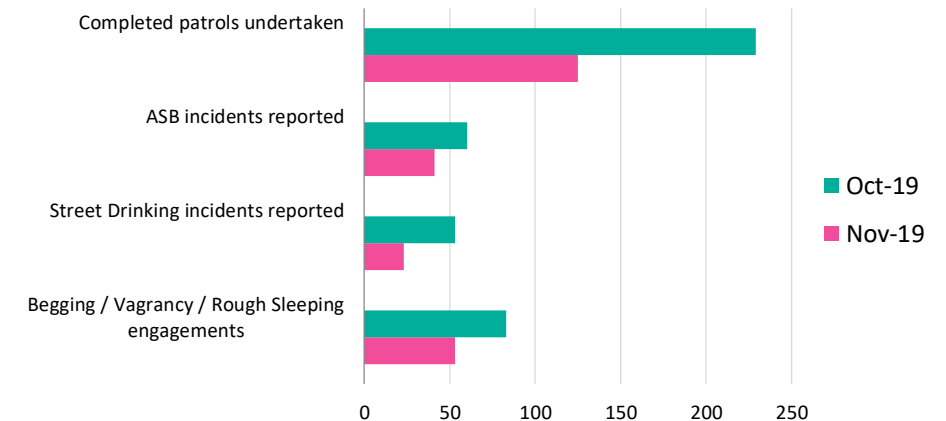


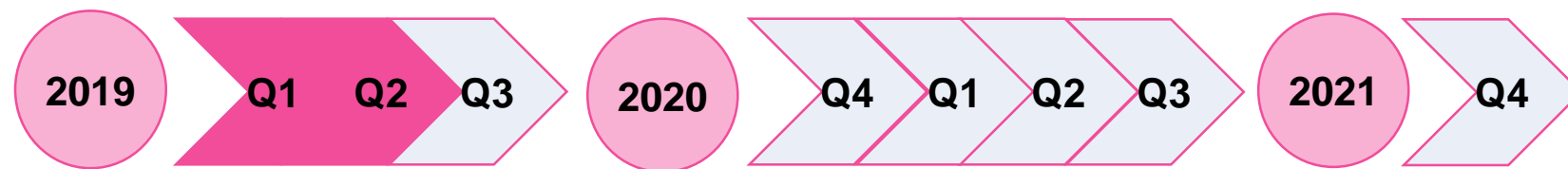
Proportion of adults in contact with secondary mental health services who live independently with or without support (EPUT)

2019/20 target: 74%

The Council's Community Safety Unit activity

This dataset does not include data from the Police or other agencies





Current progress - (Quarter 1 & 2 2019 onwards)

Milestone – “Town centre that feels safe with an active approach to the street community”

- Report to Cabinet Jun 18 agreeing additional enforcement resources
- **PSPO** – was agreed Cabinet 08.07.19
- Working with the Police to ensure additional presence in the high street (Summer 2019)
- Increased Community Safety Patrol Team (Summer 2019) extended enforcement powers reducing town centre issues.
- Additional new police officers deployed to Southend police station
- Complaints due to street drinking and anti-social behaviour decreased.
- Beach Welfare Officer Volunteers
- External funding secured for town centre interventions (Scrutiny Project)
- Town Centre Action Group action plan to deal with most prolific individuals in town centre and link to rough sleeper work

Milestone – “Rough Sleeping reduced”

- Official count numbers reduced from 72 to 11 (2017 to 2018)
- Housing & Homelessness Strategy agreed, 18.09.18 Cabinet
- Housing pipeline report to 26.06.19 Cabinet.
- Housing Allocations policy review agreed, 25.06.19 Cabinet
- Housing and Regeneration Pipeline, 17.09.19 Cabinet
- Housing and Regeneration Pipeline, Including Acquisitions Programme, report, 05.11.19
- Rough Sleepers Initiative funding secured to 2021 (support and outreach work)

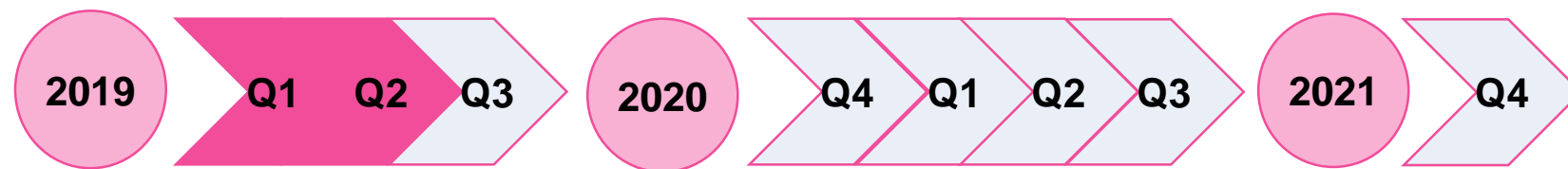
Milestone – “Community based social work practice will be embedded”

- Embedded at Kent Elms, Highways and West Road (Shoebury) surgeries. Mental health social workers supporting council Housing Officers with complex cases to maintain tenancies
- Social worker and dementia navigation team working more collaboratively to improve integrated working

Future milestones

Next official count of rough sleepers due in Nov 2019, with figures released Jan / Feb 2020

Church Winter Night Shelter due to open December 2019



Continued current progress – (Quarter 1 & 2 2019 onwards)

Milestone – “Enhance community safety across the borough – press for additional policing/neighbourhood policing”

- See milestone re: Town Centre - Working with the Police to ensure additional presence in the high street (Summer 2019)
- Enhanced Community Safety Team (Summer 2019)
- ²⁰Project 360 (Police/SBC/CIC) externally funded by Big Lottery Fund

Milestone – “Prioritise work on climate change, air quality and bio diversity. Increase recycling rates and reduce plastic use”

- Declaration of Climate emergency
- Review and update of Tree Policy, Cabinet - Sept 2019
- Climate change emergency motion & work programme agreed by 05.11.19 Cabinet

Milestone – “Plan for selective licensing scheme for private rented sector agreed”

- Cabinet to carry out exploration and consultation - Sep 2019

Milestone – “Localities – integrated health and care services provided locally, including promotion of new Shoebury health centre and others to tackle health inequalities”

- Work ongoing across Integrated Design Team continues with a focus on developing specific Locality approaches aligned to the Locality Strategy.
- A ninth Dementia Navigator in place at the hospital to assist those with dementia and caring for those with dementia, for seamless discharge; continued development of a community-based asset around the St Luke's Primary Care Centre and a MDT working across each locality with development of the hub concept, to include Shoebury hub.



Organisations signed up to Physical Activity-related pledges of the Public Health Responsibility Deal

Target for 2019/20: 30

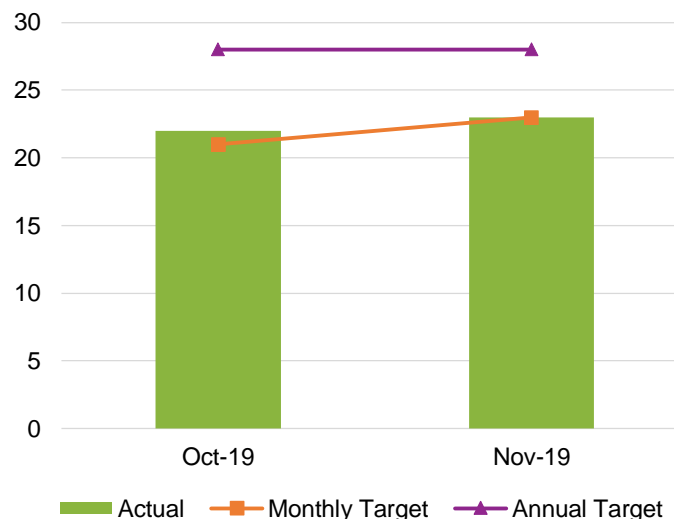
21

as at
Oct 2019

31

vs. Oct 2018

Number of schools signed up for the Daily Mile Programme or equivalent



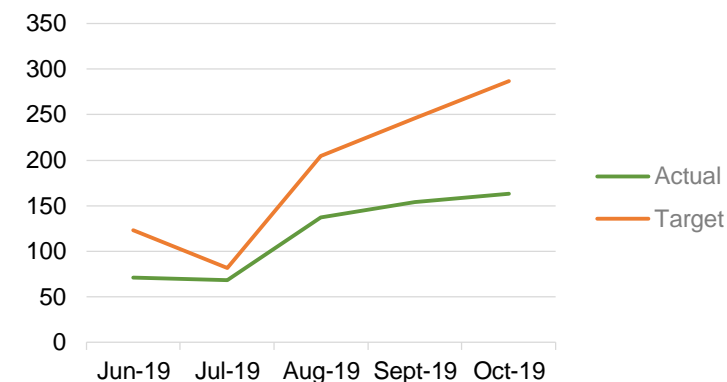
Falls Prevention activity

~12,520 individuals aged 65+ at risk of falling annually in Southend

142

individuals starting 36 week strength and balance programme to date during 2019/20

Number of people completing 12 weeks of the Exercise Referral Programme



Number of hours of volunteering within Culture, Tourism and Property (inc. Pier and Foreshore events)

[Cumulative YTD]



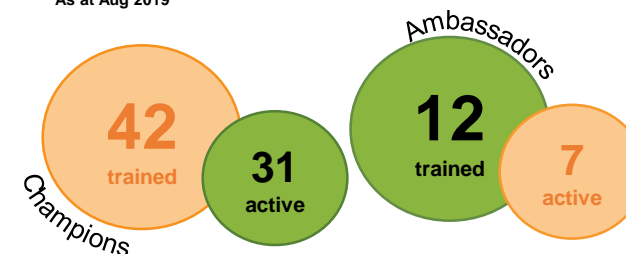
Oct 2019
Actual: 12,938
Target: 11,375



Oct 2018
Actual: 12,214
Target: 11,375

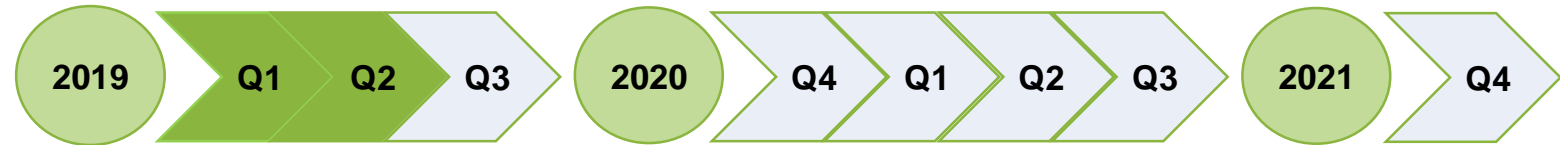
A Better Start Parent Champions and Ambassadors

As at Aug 2019



Key insights:

- **12,938** volunteering hours (which equates to approx. 539 days) delivered within Culture
- An average of **266** runners per week participating in Southend Park Runs
- **142** individuals attended the Strength & Balance class in November
- YTD **23** schools are participating in the Daily Mile or equivalent
- **163** individuals completed the 12 week exercise referral programme in Oct 2019. Numbers of people completing 12 weeks of the programme has improved, as a result of improved communication between the providers. Work to develop the improved exercise referral offer at the leisure centres is proposed for implementation in early 2020



Current progress – Quarters 1 and 2 2019/20 onwards

Milestone: “Wheeled sports facility in the town centre“

- Opened July 2019

Milestone: Renewed partnership with voluntary and community sector

- Activity being taken informally, with potential to become more formalised in future e.g. by renewing the borough’s Compact

Milestone: “Southend ambitions agreed with partners and community”

- Partners summit - Feb 2019
- Administration priorities incorporated into 2050 roadmap at June 2019 Cabinet
- TLC conference Summit held 13 Sep 2019

Milestone: “Increased numbers of active people”

- Active Southend using ActiveEssex funding to support organisations using Small Grants Scheme
- Active Southend Strategic Group using culture & wellbeing small grant’s scheme to promote more physical activity – reporting to Health & Wellbeing board – update CMT and Active Essex Board

Milestone: “Building programme of private, locally affordable housing, for rent and sale begins”

- The council is pressing ahead with the next phases of the HRA Land Review Project which will potentially see a number of affordable homes built in two locations in the borough.

Future milestones

Investigate potential for renewing the borough’s Compact

Further TLC summit to be held 29 Jan 2020

Everyone Health and Fusion to develop Exercise Referral Offer aligned with CCG priorities

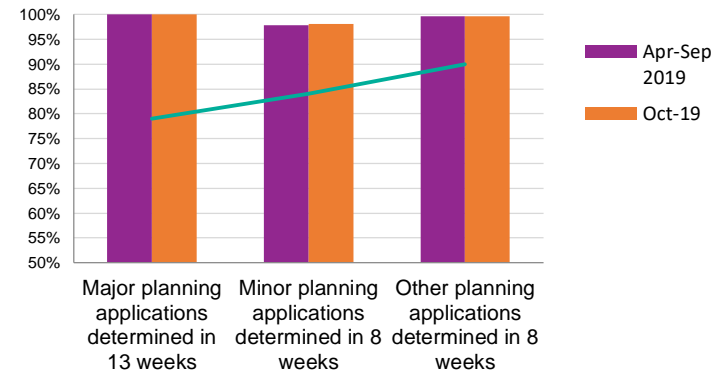
OPPORTUNITY & PROSPERITY

Key insights:

- 197 new businesses opened in the borough since Jun 2019, with a further 13 expanding and/or opening an additional property
- A total of **381** new businesses operating in the borough, with **10** businesses liquidating
- **108 empty** properties to date transferred into the Landlord's name
- **75** additional domestic properties were built in June 2019, bringing the total figure this financial year to **377** additional homes
- The slight drop in **planning applications** to date vs. the same period last year (1059 vs. 1119) may be due to Brexit-related uncertainty impacting on investment, or the fact that the number of applications received last year was a record high. The appeal success rate to date this FY is consistent with national context and reflects the council's need to balance good appeal performance and a push for quality development in the borough
- The spike in "**NEET or Unknown**" figures in Sep 19 is attributable to the beginning of the new academic year, when the entire cohort of year 11 and 12 become "Unknown" until college and sixth form lists are recorded. Education and training providers are still sending in their enrolment data; as the cohort is recorded, figures decrease – as shown by the resulting reduction in NEET and Unknown between Sep-Oct 19.

Determination of Planning Applications

Number of overall planning applications submitted Apr-Sep 2019: 1059
Success of appeals in Apr-Sep 2019: 72.7% dismissed or split against a target range of 65-85%



Delivery of the Capital Programme

[Cumulative YTD]

36% as at Oct 2019
vs.
-12.1% Oct 2018

Child Development at Two Years Old

[Completions of the ASQ at 2 years 9 months]

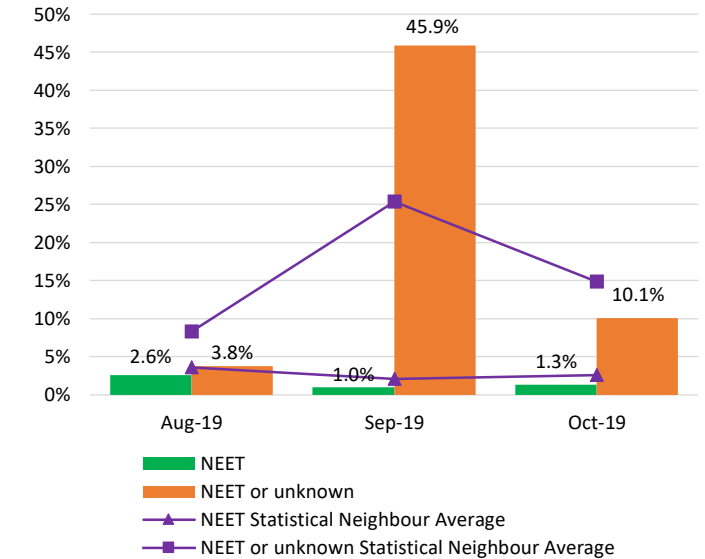
To be developed to include referral outcomes

Sep 2019	Oct 2019
✓	✓
97.7%	95.9%
Target: 95%	

Percentage of young people Not in Employment, Education or Training (NEET) or whose situation is Not Known

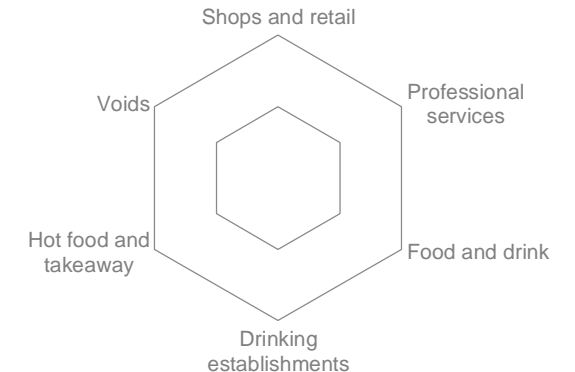
Aim to minimise

Total number of young people in the borough as at Aug 2019: 3948



High street occupancy (BID area only)

Awaiting data





Current progress - (Quarter 1 & 2 2019 onwards)

Milestone – “Improved Children’s Wellbeing 0-19 Incl. Children’s Centres”

- Ongoing work to build partnerships with health and external colleagues in light of 0-19 wellbeing (meeting w/c 18/11/19)
- Continuing to use birth/attendance/footfall data to determine the effectiveness of the provision to support given to young families. Work includes closer working with partners including Better Start, SAVs and schools to ensure high quality services operate from the Children’s Centres.
- **Cabinet 17th Sept 2019 (Ofsted Inspection of Children’s Services)** highlighted significant improvements from previous inspection

Milestone – “Better Queensway partner contract signed”

- Preferred partner agreed, 12.02.19 Cabinet
- Porters Place Southend joint venture in place; the LLP's first public consultation has concluded. A second public consultation is scheduled for February 2020 which will lead to a final scheme to be agreed prior to submission for planning

Milestone – “Identify and agree secondary school places solution and pathways to employment, education or training”

- Current strategy progressing, with work on future solutions being explored, included via Children & Learning Working Party.
- Connexions team helped to ensure that less students are classified as NEET.

Future milestones

Better Queensway Public Consultation underway from October 2019



Continued current progress - (Quarter 1 & 2 2019 onwards)

Milestone – “Work with schools and Academy Trusts to secure improvements in performance in underperforming schools”

- Funds have been previously identified to support the Academy Trusts accountable for the three vulnerable secondary schools. This resource is for the academic year 2019-20 to support the schools in their journey to become good.

Milestone – “Become a living wage employer, working towards a full living wage accreditation”

- Sep 2019 Cabinet agreed the council should be a Real Living Wage employer and work to obtain real Living Wage accreditation

Milestone – “Housing opportunities, including new social and key worker housing identified and business plan for Better Queensway agreed”

- Housing pipeline reports to June, Sep and Nov 2019 Cabinets. The business plan for Better Queensway agreed by Shareholder Board in Oct 19. Public consultation undertaken in Oct 19.

Milestone – “More Southend pupils are able to attend a grammar school if they choose”

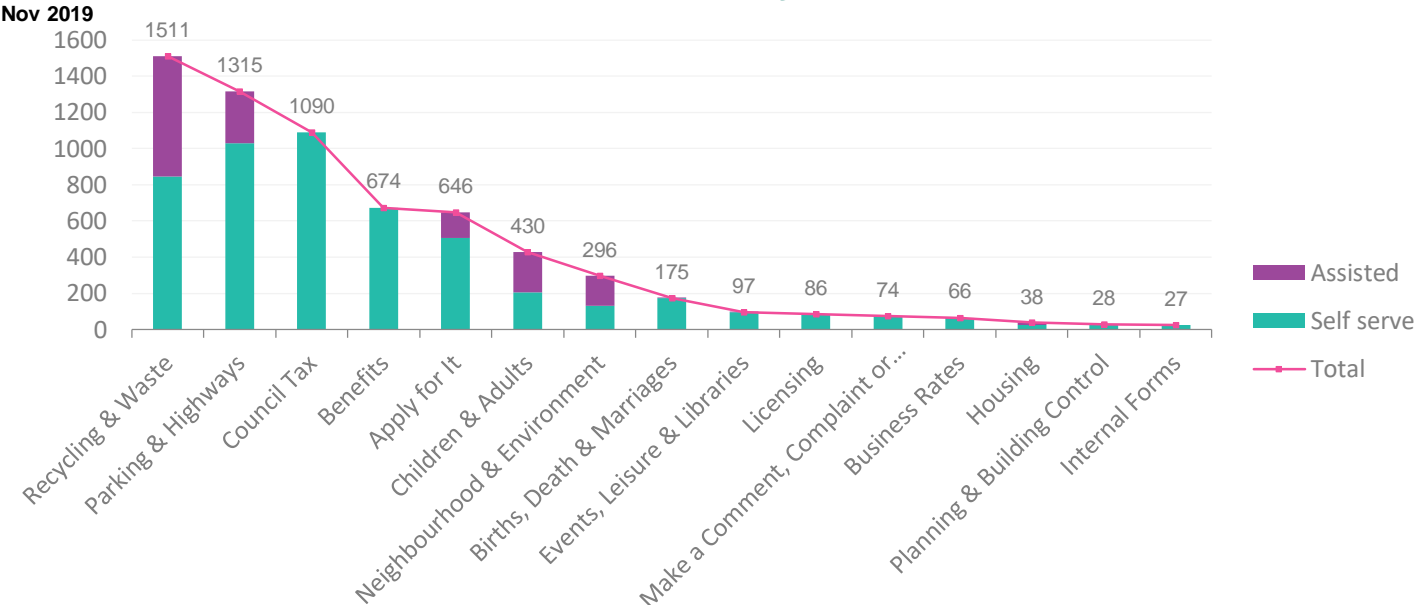
- Further plans to repeat successful awareness campaign for parents to choose a grammar school for their child. Ongoing work to map data regarding the duty to supply sufficient good school places for borough residents.



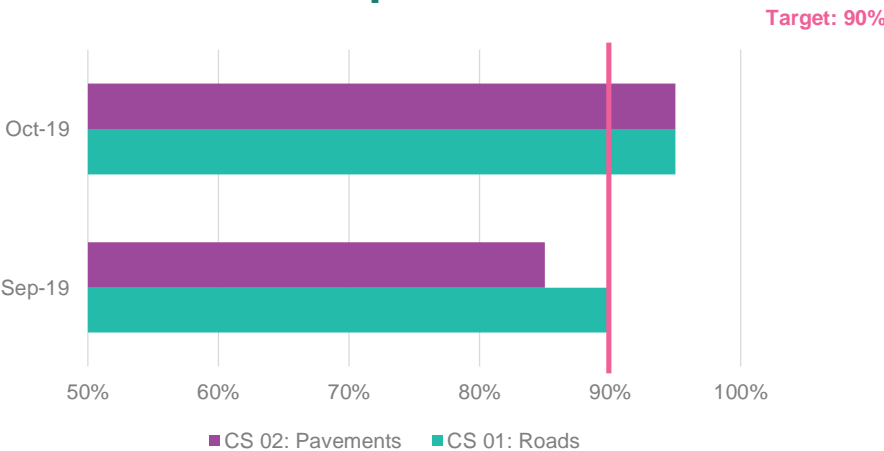
Key insights:

- Total number of registrations for free Wi-Fi: **106,865** (as at the end of Sep 19)
- The High Street remains the most popular browsing location to access free Wi-Fi followed by Eastern Esplanade and Hamlet Court Road
- The High Street, Eastern Esplanade, Hamlet Court Road and Western Esplanade are the most popular locations for registrations to use the free Wi-Fi
- Peak usage of the free Wi-Fi is at 4pm during weekdays, with more females using the service
- Most users are between the ages of **15-24**, with over **15,000** people registered, most of whom are female

Service Requests submitted via MySouthend

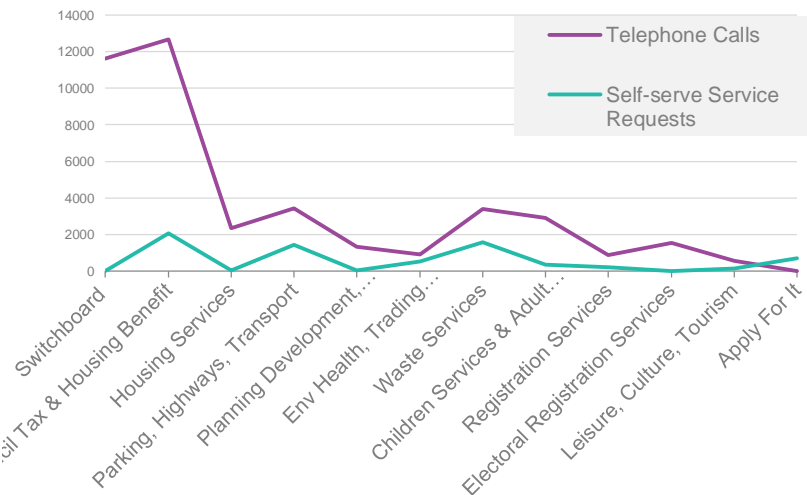


Percentage of CAT1 defects made safe within response times



Channel Shift

As at Oct 2019





Current progress – Quarters 1 and 2 2019/20 onwards

Milestone: “Kent Elms junction works to be finished”

- Completed – additional review of safety to be undertaken.

Milestone: “New programme for street lighting, improved roads, pavements and verges – linked to new city fibre network”

- New programme agreed - 2019/20 Highways Improvement programme published.

Milestone: “More integrated transport provision with revised parking strategy for residents/business/visitors” and “Improved pavements and carriageway restoration”

- Scope for revised Parking Strategy agreed by Cabinet on 05.11.19
- Cabinet Policy discussion held 11.11.19

Milestone: “Data Warehouse using Real Time information” and “Customers can access all council services digitally/online”

- Significant progress made in developing a first iteration of a digital solution for the JSNA, first phase due to go live in Dec 19
- Initial set of apps to allow staff, partners and the community to interrogate data themselves being developed. Phase 2 - the open data portal - is being progressed and this will increase the functionality available

Milestone: “Agile working culture being embedded in the council”

- Agile working culture ‘WorkLife’ being embedded
- Standardisation of ICT equipment being rolled out; CMT working area and redesign complete; formal agile methodology being rolled out across the Senior Leadership Network; methodology applied and tested to a number of projects
- Follow-up accredited coaching programme rolled out in early Oct 19 for key Transformation and Southend 2050 staff (Public Services Transformation Academy (PSTA))

Future milestones

The 2020/21–2021/22 Highways Improvement programme is due to be published in early 2020.

The revised Parking Strategy is being drafted and expected to be ready for consultation November 2019.

Southend-on-Sea Borough Council

**Report of Chief Executive and Town Clerk
To
Cabinet
On
16 January 2020**

**Agenda
Item No.**

9

Report prepared by: Andrew Barnes – Head of Internal
Audit

2019-20 Corporate Risk Register – mid-year update

Relevant Scrutiny Committee(s): Policy & Resources, People and Place Scrutiny Committees

**Cabinet Member – Cllr Woodley
A Part 1 Public Agenda Item**

1 Purpose of Report

- 1.1 To consider the 2019/20 Corporate Risk Register mid-year update.

2 Recommendations

That Cabinet considers the 2019/20 Corporate Risk Register and the mid-year updates outlined in Appendix 2.

3 Corporate Risk Register 2019/20

- 3.1.1 The Council's Corporate Risk Register sets out the key risks to the successful delivery of the Council's corporate ambition and outcomes and outlines the key controls and actions to mitigate and reduce risks, or maximise opportunities.
- 3.1.2 Updates on the Corporate Risk Register are reported to Corporate Management Team (CMT) quarterly and to Cabinet twice a year in June and January. The mid-year comments on each risk and action are included in Appendix 2.
- 3.1.3 CMT and other Directors have undertaken a review of the current content. This in the context of the ongoing work to further develop and align work on risk across the Council so that the approach to risk management is better embedded, supports the governance framework, the transformation agenda and integrated decision making.
- 3.1.4 CMT and other Directors have identified the following areas to be included in, and then monitored and reviewed, as part of the Corporate Risk Register for 2019/20:
1. Council Budget / financial sustainability
 2. Recruiting and retaining staff
 3. Key external challenges
 4. Housing
 5. Local Infrastructure

- 6. Secondary School Places
- 7. Health and Social Care
- 8. Information management and cyber security
- 9. Children's Services Improvement Plan
- 10. Waste Management
- 11. Flooding / cliff slip
- 12. Major developments
- 13. Local Plan
- 14. Climate Change Emergency

3.1.5 The Directors have considered and agreed the following changes to the corporate risks in this period:

- Risk 2: Recruiting and retaining staff has been broadened to become about the Workforce more generally
- Risk 6: Secondary School Places has been de-escalated from the corporate risk register and the risk will be managed by the service moving forward
- Risk 7: Health and Social Care has been broadened to encompass the challenge of addressing health inequalities
- Risk 9: Children's Services Improvement Plan has been broadened to encompass the delivery of effective Children's Services to achieve the Council's outcomes in the context of the current financial position, rather than focussing on the Improvement Plan specifically
- Risk 14: Climate Change Emergency has been added to the corporate risk register following the Council's declaration of a climate emergency.

3.1.6 The format of the Corporate Risk Register currently follows a 3 stage process:

1st stage: An 'inherent score' with the risk assessed with no controls, assurance or actions in place.

2nd stage: The 'current score' where the risk is assessed with controls, assurances and progress against identified actions. The current score is adjusted in light of progress against actions.

3rd stage: The target score which is the risk with the controls, assurances and actions, as if they have been completed

The current score is then adjusted in light of progress against actions.

3.1.7 Deputy Chief Executives and Directors ensure service specific risks are managed within their departments, within service plans and in accordance with the risk management strategy and processes. 'Red' rated risks with corporate implications can be escalated to CMT via Corporate Directors. Actions for all these risks are updated and reviewed by Departmental Management Teams.

3.1.8 Operational risks, managed within departments, are also assessed as part of reviews undertaken by Internal Audit and project risks are monitored by CMT where applicable.

4 Corporate Implications:

4.1 Contribution to the Southend 2050 Road Map

The Corporate Risk Framework underpins the operational effectiveness of the Council's Corporate Governance arrangements and specifically monitors progress of managing key risks associated with the successful delivery of the 2050 Ambition and Outcomes.

4.2 Financial Implications:

Any financial implications arising from identifying and managing risk will be considered through the normal financial management processes. Proactively managing risk can result in reduced costs to the Council by reducing exposure to potential loss.

4.3 Legal Implications:

The Accounts and Audit Regulations 2015 require that:

A relevant authority must ensure it has a sound system of internal control which facilitates the effective exercise of its function and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk.

4.4 People Implications:

Any people and property implications arising from identifying and managing risk will be considered through the Council's normal business management processes.

4.5 Property Implications:

None specific.

4.6 Consultation:

Consultation has taken place with key stakeholders of the corporate risk register.

4.7 Equalities and Diversity Implications:

Corporate equalities considerations have been considered in the drafting of the register and any specific equality related risks have been identified for the Council.

4.8 Risk Assessment:

Failure to implement a robust assurance framework which includes fit for purpose risk management arrangements increases the risk that Council ambition and outcomes will not be delivered.

4.9 Value for Money:

Effective forecasting and timely management of risk is a key factor in preventing waste, inefficiency and unnecessary or unplanned use of resource.

4.10 Community Safety Implications:

None specific.

4.11 Environmental Impact:

None specific.

5 Appendices:

Appendix 1 – Corporate Risk Matrix

Appendix 2 - 2019/20 Corporate Risk Register mid-year position

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Corporate Assurance Risk Register Update

Contents

Section 1	3 Stage Risk Scoring Process Brief description of the 3 stage risk scoring process and clarification of each stage
Section 2	Risk Matrix The matrix used for calculating Risk score.
Section 3	Corporate Assurance Risk Register <ul style="list-style-type: none"> - Inherent, Current and Target scores - Controls and Assurances - Future Actions and comments.

Southend-on-Sea Borough Council's Corporate Assurance and Risk Register is a best practice template for recording and managing risks. The Council also promotes the use of Assurance and Risk Registers for managing risks within service areas which are recorded and managed in service and project plans.

The Risk Register is a management tool where a review and updating process identifies, assesses and manages down the risk to acceptable levels. It provides a framework in which problems that may arise and adversely affect the delivery of the Council's aims and priorities are captured and actions instigated to reduce the likelihood and impact of that particular risk.

Section 1 - Three Stage Risk Scoring Process

Southend-on-Sea Borough Council operates a 3 Stage Risk Scoring process as outlined in the Council's Risk Management Toolkit which is available on the Council intranet site. The information below offers a brief overview of each stage of the Risk process.

Inherent score – the risk scored with no controls, assurances or actions in place.

Current score – the risk scored with controls, assurances and progressed actions.

Target score – the risk score with controls and assurances in place and linked actions completed.

As controls and assurances are put in place and actions completed the Risk will be more controlled and, therefore, the current score moves towards the Target Score. The current score from the last reported Corporate Risk Register is shown in brackets.

Section 2 - Risk Matrix



E X A M P L E S				IMPACT	CORPORATE RISK GRID			
Reputational:	Compliance	Financial:	Service Provision / Continuity:					
National publication (name and shame) by external body leading to a loss of control over the running of Council operations. From page of national paper.	The council faces serious penalties or prosecution & criticism from institutions such as, Ombudsman, Information commissioner. Customers are treated unfairly & suffer damage by the council.	Over £1m loss More than 20% of total budget individually or cumulatively	Service delivery affected by over 3 months. Statutory / critical service delivery will cease for a period of time without any effective contingency.	Catastrophic	4	8	12	16
National or local front-page press article leading to a reduced ability to affectively deliver one or more services. National press article.	The council may face criticism and be ordered to comply with legislation by an external body as a result of a breach.	Between £500k - £1m, 10-20% of total budget individually or cumulatively	Delivery affected between 1 & 3 Months. Loss of a non-critical service for a significant period of time.	Severe	3	6	9	12
Disgruntled local groups/ individuals possibly leading to internal complaints with research into the causes. Local press article &/or ombudsman enquiry.	The council may commit largely undetectable breaches in legislation and internal procedures that could have other minor effects on reputation, service delivery etc.	Between £50k - £499k, 5 – 10% of total budget individually or cumulatively	Delivery affected by up to 1 month. Minor disruption or inconvenience to service delivery & customers. (Reduced staffing, late opening, temp loss of IT).	Material	2	4	6	8
Rumour and gossip	All other material risks.	Under £50k, less than 5% of total budget individually or cumulatively	Minor disruption	Negligible	1	2	3	4
					Unlikely <10%	Likely 10-40%	Very Likely 40-75%	Almost Certain >75%
					LIKELIHOOD			

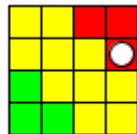
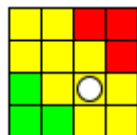
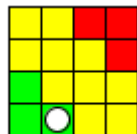
2019-20 Corporate Risk Register - Appendix 2


Generated on: 9 December 2019



Risk Title	1. Council Budget/Financial Sustainability							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	16	<div>Impact</div> <div>Likelihood</div>	
1920CRR 0297	Risk that failure to address the financial challenge by effectively managing the growing demand for services and enhancing local income streams will threaten the medium to long term financial sustainability of the Council, leading to a significant adverse impact on Council services.	Joe Chesterton	Strategic	Financial / Reputational				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	6	<div>Impact</div> <div>Likelihood</div>	
<p>1. Control: Budget setting process to identify required resource position through: budget proposal reports to Service and Corporate Management Teams; member seminars; Cabinet; Scrutiny Committees; Council Assurance: Reports to and minutes of meetings.</p> <p>2. Control: Move to outcome based budgeting to re-align resources and management oversight of a longer terms budget setting process through: reports to CMT and Cabinet Assurance: Reports to and minutes of meetings.</p> <p>3. Control: Senior member and management challenge to services on realignment of budgets Assurance: Reports to and minutes of meetings.</p> <p>4. Control: Budget challenge through Getting to Know our Business process Assurance: Minutes of meetings / emails.</p> <p>5. Control: Medium Term Financial Strategy (MTFS), including budget pressures to regularly consider financial impact of Government policy reported to CMT, Cabinet and Council Assurance: Reports to and minutes of meetings.</p> <p>6. Control: Regular budget monitoring outlining causes for variances and proposed actions to address reported to CMT, Cabinet and Council Assurance: Reports to and minutes of meetings.</p>								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	4	<div>Impact</div> <div>Likelihood</div>
1920CRA01 01	Budget Timeline outlining key milestones to be agreed with the Administration and Senior Leadership	Joe Chesterton	31-May-2019	Quarter 2 - Timeline in place with key deadlines.	<div>✔</div>			



	Team.							
1920CRA0103	Continual monitoring, risk assessment and reporting of progress on options to meet the budget reductions required to set balanced budgets for 2020/21 to 2025/26.	Joe Chesterton	30-Jun-2020	Quarter 2 - Budget reductions approved for 2019/20 are continually monitored through monthly budget monitoring and are being reported to each Cabinet throughout the year. The final position for the year will be prepared for the June Cabinet. Options for budget reductions and investments are being approved as part of the budget setting process for 2020/21 to 2024/25. The Medium Term Financial Plan will be refreshed to extend to cover 5 years to 2025/26 and will continue to be updated.				
1920CRA0104 298	Continually monitor and assess government's position on grant to be distributed to Local Authorities and other Government announcements that impact funding.	Joe Chesterton	31-Mar-2020	Quarter 2 - Executive Director (Finance and Resources) and finance team horizon scan all Government announcements, including the Spending Round announcement and Local Government Settlement for inclusion in the final budget and in preparation for future budgets. Preparing for financial self-sustainability by identifying additional income sources in readiness for significant funding changes being anticipated from 2021/22.				

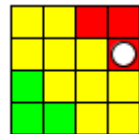
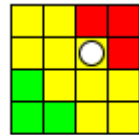
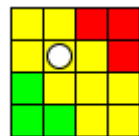

Risk Title	2. Workforce							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	 Likelihood	
1920CRR02	Risk that the Council will not have the appropriate staffing resources, with the right skills working in the right places within collaborative teams, resulting, in part, from a failure to effectively embed the arrangements with the new recruitment partner, leading to a lack of workforce capacity resulting in a failure to achieve the Council's ambitions.	Joanna Ruffle	Strategic	Service Provision				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	6	 Likelihood	
1. Control: Managing Organisational Change Policy; Redeployment Policy & Procedure; Redundancy Policy & Procedure Assurance: Policy documents available to all staff via intranet. 2. Control: Oversight of policies and procedures to ensure consistency of HR policies and processes and in implementing policies relating to restructures through the Corporate Management Team via Business World Assurance: Reports to and Minutes of meetings. 3. Control: All staff vacancies, redeployments and redundancies are assessed by HR and Finance in partnership with managers and signed off by Directors via Business World Assurance: HR and Finance reporting. 4. Control: Recruitment provider to identify recruitment hotspots and plan effective recruitment campaigns Assurance: Service Level Agreement, Contract management. 5. Control: Updated Values and Behaviours framework being used to drive recruitment through Behaviour based recruiting Assurance: Training being provided to all recruiting managers who will not be allowed to recruit without having the training.								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	2	 Likelihood
1920CRA0201	Continue to embed Talent Management Strategy (including apprenticeships, graduate traineeships, graduate sponsorships and career progression)	Joanna Ruffle	31-Mar-2020	Quarter 2 - This work is now incorporated into the Transforming Together outcomes and delivery plan.	✔			
1920CRA0202	Participate in regional Children's Social Care Workforce project	Joanna Ruffle	31-Mar-2020	Quarter 2 - Collaborative and focused work with HR and the service area continues.	✔			
1920CRA0204	Develop a framework to deliver professional recruitment resources, including a robust implementation plan which is jointly owned by SBC	Joanna Ruffle	31-Mar-2020	Quarter 2 – The new recruitment partnership is now implemented and work continues to deliver on recruitment priorities.	✔			



	and Hays and which is appropriately managed							
1920CRA0205	Resourcing Manager to drive talent management initiatives across the organisation	Joanna Ruffle	31-Mar-2020	Quarter 2 - Strengthened the strategic capacity in HR. Strategic lead for resourcing has been established. The recruitment service has been reviewed and the new recruitment partner is in place and operational.				
1920CRA0206	Deliver behaviour based recruiting training to all recruiting managers	Joanna Ruffle	31-Mar-2020	Quarter 2 – behaviour based recruiting training being delivered to all recruiting managers through November.				

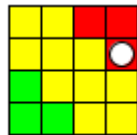
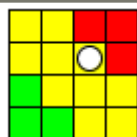

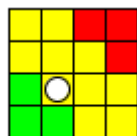


Risk Title	3. Key External Challenges						
Stage 1 - Risk without controls (Inherent risk)							
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score		<div><div></div><div>Impact</div><div></div><div>Likelihood</div></div>
1920CRR03	Risk that the impact of, or a failure to take advantage of, the Government's agenda and the lead up to Brexit, may hamper the ability of the Council to achieve key priorities.	Alison Griffin	Strategic	Reputation	12		<div><div></div><div>Impact</div><div></div><div>Likelihood</div></div>
Stage 2 - Risk with Controls and Assurances (current risk)							
List of controls and associated assurances to ensure controls are working					Current risk score	6	<div><div></div><div>Impact</div><div></div><div>Likelihood</div></div>
1. Control: Southend Borough Council active member of South East Enterprise Partnership (SELEP) Board and officers aligned to relevant working groups to engage and influence activity and decisions, Assurance: Minutes/Reports 2. Control: Corporate Management Team - oversight of Key Projects Assurance: Minutes/ Project Management Reports to CMT 3. Control: Success For All Children Group Assurance: Children and Young People Plan/Reports/Minutes 4. Control: Health and Wellbeing Board Assurance: Joint Health and Wellbeing Strategy/Report/Minutes 5. Control: Association of South Essex Local Authority Assurance: Report/Minutes							
Stage 3 - Further actions to reduce the risk (target risk)							
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	<div><div></div><div>Impact</div><div></div><div>Likelihood</div></div>
1920CRA0301	Maintaining, renewing and building relationships with key partners	Alison Griffin	31-Mar-2020	Quarter 2 - The South East Essex Locality Partnership Group has developed relationships across the SEE system, a shared Locality Strategy and MoU. The Town Centre Action Group has developed an action plan to lead on enforcement action to deal with the most prolific individuals plus support and outreach work under the Rough Sleeper Initiative. Violence and Vulnerability partnership approach, campaign launched and action plan agreed at the four strategic partnerships boards. The 'See the Signs' campaign with Essex Police has raised awareness of the implications of County Lines, been viewed more than 700,000 times electronically as well as the poster distribution, and recognised by the Home	<div><div></div><div></div><div></div></div>	4	<div><div></div><div>Impact</div><div></div><div>Likelihood</div></div>

				Office. Partners have been engaged in the development of Southend 2050, including through a series of stakeholder events to develop a partners timeline and roadmap.				
1920CRA0302	Continue to undertake horizon scanning of key developments in relation to new government legislation, policy and Brexit negotiations	Alison Griffin	31-Mar-2020	Quarter 2 - Corporate management team continue to monitor the opportunities and risks associated with EU Exit. Continue to participate fully in the Essex Resilience Forum which is taking a lead in coordination of planning for Great Essex. Economic Development continue to work alongside businesses to prepare. Horizon scanning through the LGA and MHCLG as the picture becomes clearer. Cabinet considered the implications and preparation report in January and was further updated in September 2019.	✓			
1920CRA0303	Work with Mid and South Essex health and social care partners to develop a multi-year Sustainability and Transformation Plan (STP)	Simon Leftley	31-Mar-2020	Quarter 2 - Southend Council (via operational staff, SEE Partnership Group, formal committees and HWB) continues to engage with the STP. Influence with this regard is limited. SBCs influence on the direction for the STP rests mainly in the development of Localities which we are taking a lead on within the Southend system. The referral of the STP to the SoS was responded to during this quarter and the SoS has rejected the council's referral.	✓			
1920CRA0304	Ensure the on-going sustainability of the BEST (Business Essex Southend & Thurrock) Growth Hub within the LEP umbrella through delivery of South East Business Boost and planning for longer term funding and operation.	Emma Cooney	31-Mar-2020	Quarter 2: Submission made in regards to extension of the SEBB programme, to be first considered by the ESIF committee in November. Indications are that the fund is oversubscribed thus presenting an increased risk of not being successful or a reduced amount of funding being made available. Additional funding has been secured by BEST to deliver Brexit support. This is a combination of different funding sources. No further information about the shared prosperity fund, indications are that this is not likely to be published until closer to end of the current EU funding round (March '21)	✓			




1920CRA03 05	Continue to make the case for Growth Fund Investment in Southend by working with the South Essex Growth Partnership and SELEP.	Andrew Lewis	31-Mar-2020	Quarter 2 - Continued close working with SELEP reporting on existing schemes and managing delivery of live projects. New business case submitted to LGF 3b round for the town centre, to be considered by the board in November. Also currently exploring the Growing Places Fund (revolving loan fund) which will be looking for bids by early 2020				
1920CRA03 06 303	To continually review the risks and opportunities for the Council of Brexit, identifying and implementing required actions.	Alison Griffin	31-Mar-2020	Quarter 2 – Cabinet report outlining actions taken by the Council to date in its preparations for Brexit agreed by Cabinet Sept 2019. This reflected the Secretary of State request for Councils to have a Brexit lead officer and the sort of activities they should be undertaking. Internal working group meeting on a weekly basis with weekly organisation-wide reporting in place. Information then used to inform ERF and EELGA weekly reports. Awareness raising through BEST Growth Hub, schools, care providers network, main suppliers and partners. ERF Brexit specific plans in place and SCG is stood up.				

Risk Title	4. Housing							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12		
1920CRR04	Risk that a failure to implement plans to address rising homelessness and failure to implement the Housing, Homelessness and Rough Sleeping strategy will lead to further street and other homelessness, increased use of temporary accommodation & an inability to meet rising housing demand over the next 20 years.	Simon Leftley	Strategic	Financial				Likelihood
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9		
1. Control: Core Strategy and Local Development Plan Assurance: Strategy documents to provide direction 2. Control: Cabinet/Scrutiny Assurance: Reports to and minutes of meetings 3. Control: Housing, Homelessness and Rough Sleeping Strategy Assurance: Strategy document to provide direction 4. Control: Housing Working Party: Assurance: Reports to and minutes of meetings								Likelihood
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	6	
1920CRA0401	Progress delivery of plans contained in the new Housing, Homelessness and Rough Sleeping Strategy for the borough aimed at ensuring the appropriate level of accommodation in the borough and reduce the need for temporary accommodation	Glyn Halksworth	31-Mar-2020	Quarter 2: work is underway on several aspects of the Housing, Homelessness and Rough Sleeping Strategy to deliver on its objectives and ambitions. Reporting of progress around allocations policy, South Essex Homes agreement and the housing and regeneration pipeline has been regularly provided since the strategy was adopted. The housing pipeline work is reporting to each Cabinet and a number of sites are currently progressing that will form the first phase of the pipeline. HRA land review project has identified two sites that will potentially lead to 56 affordable homes. The acquisitions programme for council housing has continued and a number of		Likelihood		



				properties have been purchased from the open market.				
1920CRA04 02	Progress the Council's bid for additional resources from the Government's new street homelessness fund to tackle the issue in the borough	Glyn Halksworth	31-Mar-2020	Quarter 2 – Work continues across Southend Council and with partner services (HARP, STARS, Peabody, Love Southend) to offer support and accommodation to rough sleepers. Work is now underway in preparation for Winter 19-20. Additional resources were successfully bid for to augment this scheme and staff have been recruited to new roles such that an even broader and more sustainable offer will be in place during Q3.				
1920CRA04 03 305	Ensure the development of the Council's Local Plan, links to the Council's housing strategy, and addresses the anticipated level of demand for housing in the coming decades	Peter Geraghty; Glyn Halksworth	31-Mar-2020	Quarter 2 - Collaborative work is on-going as the local plan and its supporting evidence base continues to move forward. A draft housing topic paper has been prepared to ensure a consistent baseline to feed into preparation of the Local Plan. Strategic planning team have also contributed to the preparation of Council's Housing Strategy. Collaborative work will continue beyond the Local Plan issues and options stage to ensure the documents are aligned and address anticipated housing demand.				

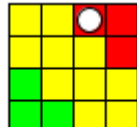
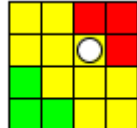
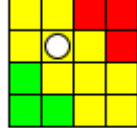
Risk Title	5. Local Infrastructure								
Stage 1 - Risk without controls (Inherent risk)									
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	Impact		
									Likelihood
1920CRR05	Risk that failure to maintain levels of access to regeneration funding opportunities will significantly restrict future infrastructure improvements in the borough	Andrew Lewis	Strategic	Financial					
Stage 2 - Risk with Controls and Assurances (current risk)									
List of controls and associated assurances to ensure controls are working					Current risk score	9	Impact		
									Likelihood
1. Control: Highway/Footpath Assets Management inventory in place Assurance: Reports 2. Control: Monthly progress reported to DMT and senior managers Assurance: Reports/Minutes 3. Control: Regular reporting to Corporate Management Team Assurance: Reports/Minutes 4. Control: Cabinet/Scrutiny Assurance: Reports/Meeting minutes									
Stage 3 - Further actions to reduce the risk (target risk)									
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	4	Impact	
1920CRA0502	Continue to make the case for Growth Fund Investment in Southend by working with the South Essex Growth Partnership and SELEP.	Neil Hoskins	31-Mar-2020	Quarter 2 - Business case submitted for Cliff stabilisation works at Leigh and Expression of Interest submitted for Bridge Structure upgrade.					
1920CRA0503	Conduct detailed self-assessment to support Challenge Fund bid	Neil Hoskins	31-Mar-2020	Quarter 2 – This is submitted annually and will be done in Quarter 4.					
1920CRA0505	Ensure compliance with spending profiles for Local Growth Fund to maintain access to available finance (notably for Airport Business Park and the Forum)	Adrian Beswick; Mark Murphy	31-Mar-2020	Quarter 2 – SELEP monitoring and reporting is up to date. Year to date Airport Business Park spend is ahead of profile demonstrating good progress on site.					

Risk Title	7. Health and Social Care							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	<div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>Likelihood</div>	
1920CRR07	Risk that the implementation of the Mid and South Essex Sustainability and Transformation Partnership (STP) proposals and implementation of the Localities Model does not result in effective health and social care outcomes for residents resulting in increased health inequalities, worsening health outcomes and significant cost increases.	Simon Leftley	Strategic	Financial, Service Provision				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9	<div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>Likelihood</div>	
1. Control: South East Essex Locality Partnership: Assurance: Reports/Meeting Minutes. 2. Control: Health and Wellbeing Board. Assurance: Reports/Meeting Minutes. 3. Control: Locality Transformation Group (being replaced with sub-groups). Assurance: Reports/Meeting Minutes. 4. Control: Corporate Management Team. Assurance: Reports/Meeting Minutes. 5. Control: Joint SBC CMT and CCG CMT meetings. Assurance: Reports/Meeting Minutes.								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	4	<div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>Likelihood</div>
1920CRA0701	Continue to actively work with Mid and South Essex health and social care partners to develop the STP proposals to ensure positive outcomes in health and social care provision for Southend residents	Simon Leftley	31-Mar-2020	Quarter 2 - Southend Council (via the SEE Partnership Group, formal committees and HWB) continues to engage with the STP. Influence with this regard is limited, however, the STP have begun to engage with the 3 LAs more comprehensively to enable greater involvement in planning. SBCs influence on the direction for the STP rests mainly in the development of Localities and Primary Care Networks (PCNs) which we are taking a lead on within the Southend system.	✔			
1920CRA0702	That the Health and Wellbeing Board (HWB) oversees the development and implementation of the localities model for health and social provision in the borough.	Simon Leftley	31-Mar-2020	Quarter 2 - HWB hold regular discussions regarding the development of the STP proposals and the Southend Locality development. A South East Essex governance approach to developing Localities is operational	✔			


				and leads the delivery. This partnership is accountable to HWB and is responsible for the activity of the STPs strategic plans through its local business plan. The Locality Strategy 'Living Well In Thriving Communities' is agreed and is now being implemented through the Partnership. Primary Care Networks present a significant risk to the geography of the Southend Localities and the Partnership has now agreed approach to inclusion.				
1920CRA0703	Reshaping the mandate of the South East Essex Locality Partnership (which includes engagement with key stakeholders, both providers and commissioners) to manage the implementation of the Localities model including the development of plans for each locality.	Jacqui Lansley	31-Mar-2020	Quarter 2 - The SEELP continues to operate monthly and is a partnership formed across Essex CC, SBC and the two CCGs. The partnership also includes providers, the voluntary sector, public health and patient representative. A revised MoU is in development to support the partnership and the relationships being built and work being progressed through the partnership is widely considered to be the foundation to the integrated care systems being developed.				
1920CRA0704	Production of annual Joint Strategic Needs Assessment to provide a clarified understanding of the issues to be focussed upon and addressed using the JSNA to provide evidence-based priorities for commissioning.	Krishna Ramkhelawon	31-Jan-2020	Work in progress to prepare the JSNA and the summary report for the Health & Wellbeing Board.				
1920CRA0705	Production of the Annual Public Health Report 2019/20 that provides an opportunity to focus attention on particular issues that impact on the health and wellbeing of the local population, highlight any concerns and make recommendations for further action.	Krishna Ramkhelawon	30-Jun-2020	The Annual Public Health Report 2019/20 will be prepared by the interim Director of Public Health and presented to the Health & Wellbeing Board.				


Risk Title	8. Information Management & Cyber Security							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	16	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>	
1920CRR08	Risk that a failure to ensure the Council has a coherent and comprehensive approach to data protection, including its cyber security arrangements, will result in a data breach or cyber-attack, leading to significant financial and reputational damage to the Council	John Williams	Strategic	Reputational, Financial				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>	
1. Control: Mandatory Data Protection and Cyber Security Training for all staff - Assurance: Completion of training by all staff 2. Control: Senior Leadership Team participating annually in Cyber Security Exercise - Assurance: Successful completion of exercise 3. Control: Senior Information Risk Owner - Assurance: Annual SIRO report to Cabinet 4. Control: Annual IG Toolkit assessment – Assurance: Report from independent assessment 5. Control: Regular reports to Good Governance Group. Assurance: Reports/Minutes								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	9	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>
1920CRA0801	Ensure the Good Governance Group continues to oversee the Council's approach to information management, including compliance with data protection legislation.	John Williams	31-Mar-2020	Quarter 2 – The Good Governance Group reviews this as a standing item on its agenda. The group is chaired by the Senior Information Risk Owner (SIRO).	<div>✔</div>			
1920CRA0802	Ensure the Council's project plan, and associated officer group, for embedding of the General Data Protection Regulations (GDPR) is fit for purpose to deliver continued compliance with data protection legislation.	Lysanne Eddy	31-Mar-2020	Quarter 2 - DP/GDPR continues to be embedded as BAU, referrals for advice remain high, indicating good awareness. New e-learning has been made mandatory for all staff and rolled out across the organisation. During the training roll out intelligence has been gathered about potential additional training requirements. The GDPR Group has been realigned into the Good Governance Group.	<div>✔</div>			
1920CRA0803	Ensure information management is a key part of the Council's transformation agenda.	Joanna Ruffle	31-Mar-2020	Quarter 2 - Digital enablement is a key condition for Transformation. The Insights team in the Corporate Strategy unit is fully staffed and now operating as BAU.	<div>✔</div>			


1920CRA0804	Ensure the Council's cyber security arrangements are up to date and robust enough to withstand attacks.	Sandeep Thakrar	31-Mar-2020	Quarter 2 – Risk assessed and impact and likelihood of cyber-attack remains high. A Head of IT Security and Compliance role has been created and is currently being recruited to, as part of the restructure of ICT. They will be focussed on the cyber security challenge. The current team have created a Cyber Security Baseline assessment that will inform next steps, as will the National Cyber Security Centre top 10 steps.				
1920CRA0805	Review the Council's approach to the use and sharing of, information and data	Joanna Ruffle	31-Mar-2020	Quarter 2 - This work continues and is overseen by the Good Governance Group, this work is also picked up by the JSNA group.				

Risk Title	9. Children's Services								
Stage 1 - Risk without controls (Inherent risk)									
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	Impact	 Likelihood	
1920CRR09	Risk that the actions and expected outcomes from the Children's Services Improvement Plan are not achieved within expected timescales, resulting in a failure to deliver the outcomes anticipated by the Council's roadmap for the children in need of support.	Simon Leftley	Strategic	Reputational					
Stage 2 - Risk with Controls and Assurances (current risk)									
List of controls and associated assurances to ensure controls are working					Current risk score	9	Impact	 Likelihood	
1. Control: Monitoring and updating of the Children Service's Improvement Plan by the CS Improvement Board. Assurance: Reports/minutes of CS Improvement Board meetings. 2. Control: Monitoring and updating of the Leadership Narrative Document for Children's services. Assurance: Report/Minutes of Children's Services Improvement Board meetings. 3. Control: Children's Service Improvement Board bi-monthly meetings Assurance: Report/Minutes. 4. Control: Children's Departmental Management Team. Assurance: Monthly Performance reports/ minutes of meetings. 5. Control: People Extended DMT Assurance: Reports to/notes from meetings. 6. Control: Local Safeguarding Children's Board (LSCB) to complement the children's service improvement plans Assurance: Reports/minutes. 7. Control: Improvement Board Independent Expert, advice and support. Assurance: Reports to John O'Loughlin, Simon Leftley and the Improvement Board									
Stage 3 - Further actions to reduce the risk (target risk)									
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	6	Impact	 Likelihood
1920CRA0901	Develop and enhance the resourcing available to the Council's Children's Service, with the recruitment of additional social workers; embedding the work of the recently appointed 'Practise Lead' to promote good practice and 'Participation Lead' to enhance participation.	John O'Loughlin	31-Mar-2020	Quarter 2 - Following the ILACS inspection the improvement plan is being revised to take account of their findings. We have a commitment to continuing the control measures and the introduction of the performance board during Q4 is supporting the improvement actions and outcomes being driven forward.	🟢				
1920CRA0902	Embed the Edge of Care Team, to support those children at risk of entering, or re-entering, the care system (particularly older children at risk from the breakdown of foster care	John O'Loughlin	31-Mar-2020	Quarter 2 update for Edge of Care Requests for Emergency Visits prior to placement panel and allocation: - 34. Family/Fostering visits of cases coming to us in	🟢				

	placements.			<p>crisis before being presented at panel.</p> <p>Requests for Welfare Visits without allocation: -52. Emergency welfare visits to support social care, where case is not and does not open to us.</p> <p>Duty welfare visits completed to families already open to Edge of Care: - 134</p> <p>Crisis calls from allocated cases: - 150. Of the 26 reunifications that the team have had: - 9 were negative assessments with recommendations – children to remain in current placement and reunification isn't recommended - 10 were positive assessments with recommendations and support plans - reunification recommended children to return to family care - 7 are still being completed.</p> <p>The above have been a combination of unplanned and planned reunification; with children either being returned to the family before a reunification assessment has been undertaken or returning to the family once reunification assessment has been completed.</p> <p>In Quarter 2 Edge of Care have closed 35 cases. 12 Remain in the family home 2 Alternative Family arrangements 4 Placed into Care 2 Stabilised placements 2 Foster placements broken down 1 Successful reunification 1 Negative reunification 0 From Foster Care to Residential Care 8 Welfare Visits only 3 Cases found no service required from Edge of Care</p>				
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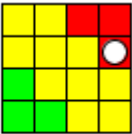
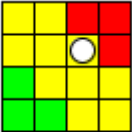
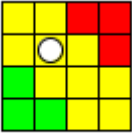
				In quarter 2 Edge of Care have had 32 cases referred. 6 CP plans only 3 CP plan and PLO 5 CIN only 6 LAC 5 Reunification 7 Families requiring Welfare Visits				
313 1920CRA0903	Implement and embed the Early Help Phase 2 programme, which, working in partnership with other care professionals will aim to improve the first contact service for vulnerable children.	John O'Loughlin	31-Mar-2020	<p>Quarter 2 - Early Help Family Support has recently introduced a new parenting programme that has just successfully finished working with its second cohort of families. Early Help Family Support is working closely with Social Care to ensure a smooth transition for families who step down from Social Care intervention. Families are now contacted within 5 days of referral by a new duty team within the service.</p> <p>We have met the TF attachment target of 1480, however MHCLG has now published a trajectory which shows an increased projected target of 2,600 to allow Payment by Results (PBR's) target to be met by 2020 at our current conversion rate. Southend have currently claimed 48% of PBR's and a robust plan is in place to assist in ensuring we are able to optimise PBR's.</p> <p>The Family Researcher is continuing to work with Social Care to ensure we capture successful CN closures with our PBR outcomes. The Family Support team are working closely with the Data Team to look at different data sources which evidence positive outcomes to enhance PBR payments. This will be supported by the Family researcher.</p> <p>Adolescent Intervention and Prevention team are offering an Early Help response to all those that deemed to be at risk of exploitation / gangs / missing. All intelligence reports result in joint home visits between AIP Team and Police. A raft of Early Intervention programmes are being offered in schools.</p>				

1920CRA09 04 314	Undertake a full budget and performance review of Children's Services to assess levels of resourcing against the demand for services, to address the forecast budget overspend currently being experienced.	Simon Leftley	31-Mar-2020	<p>Quarter 2 - Early Help Family Support has recently introduced a new parenting programme that has just successfully finished working with its second cohort of families. Early Help Family Support is working closely with Social Care to ensure a smooth transition for families who step down from Social Care intervention. Families are now contacted within 5 days of referral by a new duty team within the service.</p> <p>We have met the TF attachment target of 1480, however MHCLG has now published a trajectory which shows an increased projected target of 2,600 to allow Payment by Results (PBR's) target to be met by 2020 at our current conversion rate. Southend have currently claimed 48% of PBR's and a robust plan is in place to assist in ensuring we are able to optimise PBR's.</p> <p>The Family Researcher is continuing to work with Social Care to ensure we capture successful CN closures with our PBR outcomes. The Family Support team are working closely with the Data Team to look at different data sources which evidence positive outcomes to enhance PBR payments. This will be supported by the Family researcher.</p> <p>Adolescent Intervention and Prevention team are offering an Early Help response to all those that deemed to be at risk of exploitation / gangs / missing. All intelligence reports result in joint home visits between AIP Team and Police. A raft of Early Intervention programmes are being offered in schools.</p> <p>The service continue to plan to manage the increase in placement demand, by building our local in-house foster care capacity and sourcing local residential care provision. From a staffing perspective the medium to long term strategy is to increase the use of Newly Qualified Social Workers and permanently</p>				
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				<p>employed Social Workers, which should result in less reliance on agency staff and the removal of the current range of temporary posts.</p> <p>Mitigation actions of £0.8m have been identified and additional work is being undertaken to try to reduce the forecast overspend further whilst still meeting the needs of children and families.</p>				
1920CRA0905	Review the use of Children's Centres to deliver an improved Children's wellbeing pathway	Brin Martin	31-Mar-20	<p>Birth, attendance and footfall data is being used to assess the effectiveness of the provision to support young families. This includes close working with stakeholders and partners including A Better Start Southend, SAVS and schools and settings so that relevant and high quality services operate from the Children's Centres.</p>				

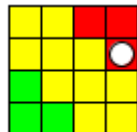
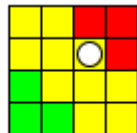
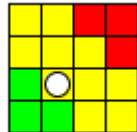
Risk Title	10. Waste Management							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	9	<div>Impact</div> <div>Likelihood</div>	
1920CRR10	Risk of contractor failing to meet contractual requirements to effectively manage waste arrangements results in a loss of service quality and additional financial liability for the Council.	Larissa Reed	Strategic	Reputational, Financial				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9	<div>Impact</div> <div>Likelihood</div>	
1. Control: Regular contract management meetings with suppliers Assurance: Reports to and minutes of meetings 2. Control: Data set monitored by DMT and senior managers Assurance: Reports to and minutes of meetings 3. Control: Reporting to and challenge by Cabinet / Scrutiny Assurance: Reports to and minutes of meetings 4. Control: Procurement plan in place for delivery of the next waste management contract Assurance: Procurement supporting the delivery of the next contract								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	6	<div>Impact</div> <div>Likelihood</div>
1920CRA1001	Ensure frontline waste collection, street cleansing and ancillary service contractor is performing to service outputs and that performance management is monitored to achieve service standards as specified within relevant contracts	Imran Kazalbash	31-Mar-2020	Quarter 2 - Contractor continues to be performance managed and steered through regular contract meetings. Financial remedies can be applied through performance deduction mechanism in accordance with the contract.	✔			
1920CRA1002	Ensure SBC have access to waste disposal and treatment facilities that deliver value for money for the Council.	Imran Kazalbash	31-Mar-2020	Quarter 2 - SBC continues to deliver residual waste to Essex Facility under Joint Working Agreement, (JWA) which is in place until 5/10/23. The JWA variation allows for negotiation to continue to use the site past this end date. Contingency arrangements are in place to send residual waste to landfill (Under partnership Framework with Essex CC) if Essex plant is not available.	✔			
1920CAR1003	Ensure SBC have an effective plan in place for the procurement of the next	Imran Kazalbash	31-Mar-2020	Quarter 2 – The service is working with procurement to identify and prepare a range of				

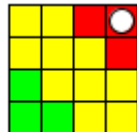
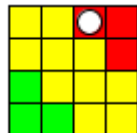
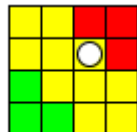
	waste management contract that is due to commence on 5 October 2023.			options for consideration. This has included visiting other Councils that are utilising alternative arrangements. Consultancy support is planned to be identified to work up business case models for different service delivery models, that should lead to a preferred option by the second quarter of 2020 being presented for consideration.				
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Risk Title	11. Flooding / Cliff Slip							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	Impact  Likelihood	
1920CRR11	Risk that surface water flooding, breach of sea defences and/or seafront cliff movement, will result in damage to property and infrastructure as well as significant disruption.	Andrew Lewis	Strategic	Reputational, Reputational				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9	Impact  Likelihood	
1. Control: Flooding Reports considered by Cabinet Assurance: Reports to and minutes of meetings 2. Control: Gully cleaning programme in place Assurance: Programme documents. 3. Control: Regular monitoring of Met Office weather alerts Assurance: Alerts/Reports 4. Control: Cabinet/Scrutiny Assurance: Reports to and minutes of meetings								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	6	Impact  Likelihood
1920CRA1101	Ensure compliance with the requirements of the Floods and water Management Act 2010 with regard to Sustainable Drainage Systems (SuDS).	Neil Hoskins	31-Mar-2020	Quarter 2 - Current projects with SuDS elements programmed to start December 2019 – January 2020	✓			
1920CRA1102	Jointly investigate with Anglia Water Services, possible improvements to drainage system.	Neil Hoskins	31-Mar-2020	Quarter 2 - Anglian Water, Environment Agency and SBC discussions regularly scheduled to investigate joint working and potential future projects and funding allocation.	✓			
1920CRA1103	Development of a Cliff Slip Strategy based on a risk minimisation approach	Neil Hoskins	31-Mar-2020	Quarter 2 - Contract awarded to Campbell Reith	✓			
1920CRA1104	Progression of Sea Defence Scheme at Shoebury Common - consultation options leading to business case	Neil Hoskins	31-Mar-2020	Quarter 2 - Outlined business case being progressed following consultation	✓			
1920CRA1105	Shoreline Management Strategy - adoption	Neil Hoskins	31-Mar-2020	Quarter 2 - Shoreline Management Strategy now adopted by Environment Agency	✓			

Risk Title	12. Major Developments							
Stage 1 - Risk without controls (Inherent risk)								
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>	
1920CRR12	Risk that failure of partners to progress major infrastructure developments (e.g. Seaways, Airport Business Park and Queensway) will result in significant financial and reputational damage to the Council.	Joe Chesterton; Andrew Lewis	Strategic	Reputational, Financial				
Stage 2 - Risk with Controls and Assurances (current risk)								
List of controls and associated assurances to ensure controls are working					Current risk score	9	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>	
1. Control: Corporate Management Team Assurance: Reports/Minutes. 2. Control: Corporate Management Team Assurance: Reports/Meeting Minutes 3. Control: Project Boards Assurance: Reports/Meeting Minutes 4. Control: Cabinet/Scrutiny Assurance: Reports/Meeting minutes								
Stage 3 - Further actions to reduce the risk (target risk)								
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	6	<div>Impact</div> <div><div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div></div></div><div>Likelihood</div></div>
1920CRA1201	Delivery of Better Queensway through Porters Place LLP (joint venture) 2019/20 actions: <ul style="list-style-type: none">- Approval of updated business plan- Consultation- Council approval of final proposals- Submission of planning application	Emma Cooney	31-Mar-2020	Quarter 2 - Porters Place Southend-on-Sea LLP is now the delivery vehicle for Better Queensway following approval of the JV. Revised business plan considered at the Council's October Shareholder Board meeting following approval by the JV Board. Resident event to introduce the new JV held 26 th September. Project Director appointed from November, Community Officer appointed and in post. Housing and highways highlighted as matters to be worked through.	✔			
1920CRA1202	Airport Business Park 19/20 actions: <ul style="list-style-type: none">- Launchpad planning consent- Launchpad construction procurement- Commence procurement of Launchpad operator- Relocation of Westcliff Rugby	Andrew Lewis	31-Mar-2020	Quarter 2 - Phase 1 utility works moving towards completion. Phases 2 and 3 underway with Ipeco structure now out the ground. Launchpad planning application was due to be determined at the end of September but Rochford DC meeting cancelled.	✔			

	<ul style="list-style-type: none"> - Club - Construction of Ipeco premises - Phase 1 completion 							
1920CRA1203	Seaway Car Park 19/20 actions: <ul style="list-style-type: none"> - To support Turnstone to submit a planning application - To meet the Coach Park Relocation Condition - To support Turnstone in securing prime tenants 	Joe Chesterton	31-Mar-2020	Quarter 2 - Turnstone Planning Application submitted, but is currently on hold pending the Secretary of State decision on the challenge in respect of the EIA.				

Risk Title	13. Local Plan								
Stage 1 - Risk without controls (Inherent risk)									
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	12	Impact	 Likelihood	
1920CRR13	Risk that the failure to meet deadlines and make sufficient progress in producing a Local Plan will lead to Secretary of State intervention, resulting in reputational damage to the Council and the potential imposition of unwanted planning policies	Andrew Lewis	Strategic	Reputational, Financial					
Stage 2 - Risk with Controls and Assurances (current risk)									
List of controls and associated assurances to ensure controls are working					Current risk score	9	Impact	 Likelihood	
1. Control: Project plan and timetable for the delivery of the updated Local Plan Assurance: Project monitoring and reporting of progress 2. Control: Reports to Cabinet Assurance: Reports to and minutes of meetings 3. Control: Regular reports to Corporate Management Team Assurance: Reports to and minutes of meetings 4. Control: Member Environment and Planning Working Party Assurance: Reports to and minutes of meetings.									
Stage 3 - Further actions to reduce the risk (target risk)									
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	4	Impact	 Likelihood
1920CRA1302	Undertake consultation with community and stakeholders on issues and options in line with 'Regulation 18'	Peter Geraghty	31-Mar-2020	Quarter 2 - Update Local Plan Issues and Options consultation stage completed. The results of the consultation have been analysed and reported.	✓				
1920CRA1303	Ensure continued alignment of the Local Plan with the development of the Joint Strategic Plan and other key Council strategies (including Corporate Plan, Southend 2050, Housing Strategy, Climate Change Emergency).	Peter Geraghty	31-Mar-2020	Quarter 2 - A joint South Essex policy team, including officers from Southend, has been established under an informal arrangement and work on key evidence documents and a Statement of Community Involvement is progressing. Officers working on the Local Plan continue to work with those involved in the Joint Strategic Plan and other Council strategies to ensure alignment as they progress.	✓				

Risk Title	14. Climate Change Emergency						
Stage 1 - Risk without controls (Inherent risk)							
Code	Risk - CAUSE, EVENT, EFFECT	Risk Owner	Risk type	Risk category	Inherent risk score	16	 Likelihood
1920CRR14	Risk that failing to implement changes needed to reduce the Borough’s carbon footprint will cause an inadequate contribution to the reduction in carbon emissions required. This will result in significant adverse impact on the Borough, and if the climate adaptation measures being implemented are also inadequate, there will be further implications for the Council in needing to respond to climate events in the Borough.	Andy Lewis	Strategic	Environmental / Financial / Business Continuity / Reputational			
Stage 2 - Risk with Controls and Assurances (current risk)							
List of controls and associated assurances to ensure controls are working					Current risk score	12	 Likelihood
1. Control: Low Carbon Energy and Sustainability Strategy 2015-20; member seminars; Cabinet; Scrutiny Committees; Council Assurance: delivery of strategy, reports to and minutes of meetings. 2. Control: Management oversight of Green City Southend 2050 outcome that includes carbon reduction activity through: reports to CMT and Administration Assurance: Reports to and minutes of meetings. 3. Control: Member Environmental Working Party Assurance: Reports to and minutes of meetings. 4. Control: Council declaration of a climate emergency Assurance: Reports to and minutes of meetings.							
Stage 3 - Further actions to reduce the risk (target risk)							
Code	Actions to further mitigate risk / maximise opportunities	Action Owner	Due date	Comments / update on progress	RAG Status	Target risk score	9  Likelihood
1920CRA1401	Update the Low Carbon Energy and Sustainability Strategy to reflect the plan of action that needs to be taken over the next 10 year period.	Carl Robinson	31-Mar-2020	Quarter 2 - Timeline in place with key deadlines. The updated strategy is due to be approved in advance of the 2020/21 year.	✓		
1920CRA1402	Delivery of the agreed actions outlined in the Green City outcome delivery plan.	Elizabeth Georgeou / Andrew Barnes	31-Mar-2020	Quarter 2 - The Green City outcome has 5 key elements of delivery: - Carbon neutral buildings - Green streets - Green transport - Recycling - Southend BC leading by example Specific actions to improve these issues are	✓		

				being delivered through the Green City outcome delivery plan.				
1920CRA1403	Continue the work of the Energy and Sustainability Team (which includes engagement with key stakeholders) to identify and manage the implementation of projects and actions that will reduce carbon emissions and adapt to climate change.	Carl Robinson	31-Mar-2020	Quarter 2 – The Energy and Sustainability Manager has reported to Cabinet in November outlining all of the projects and actions that are currently underway. Cabinet to maintain a watching brief over the delivery of these projects and actions to ensure that they are delivered and achieve the anticipated impact.				

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CABINET

Thursday, 16th January 2020

COUNCIL PROCEDURE RULE 46

The following action taken in accordance with Council Procedure Rule 46 is reported. In consultation with the appropriate Cabinet Member(s):-

1. The Deputy Chief Executive (Place), Executive Director (Housing and Growth) authorised:

- 1.1 Southend Light and Power Detailed Designs under the Innovate UK Detailed Designs of Smart, local Energy Systems Call
The submission of a bid to Innovate UK prior to the deadline of 7th August 2019 towards the Southend Light and Power Detailed Designs project. The project aims to address the detailed designs that will allow heat networks to be installed, to encourage householder energy efficiency and to explore how private sector finance can be deployed using new business models and, where appropriate, new regulations.
- 1.2 Cremation & Burial Fees for Young People
The amendment of the fees and charges for funeral charges for children and the recovery of the costs of the charges from the Children's Funeral Fund for England, recently established by the Government.
- 1.3 South East Business Boost ERDF Project
The authorisation of the relevant officer to sign and respond to the invitation to formally submit an application to extend the abovementioned programme, which provides support to enable businesses to grow, increase productivity and create jobs. The current programme will end on 21st December 2019 and the extension is for 3 years. The underwriting of staff costs totalling £27,085 for the period January – March 2020, pending the provision of funding from the ERDF external fund was also authorised.

2. The Strategic Director (Transformation) authorised:

- 2.1 Provision of Passenger Transport
Further to Minutes 770 of the meeting of Cabinet held on 12th March 2019, 949 of the meeting of People Scrutiny Committee held on 9th April 2019 and 887 of the meeting of the Council held on 17th April 2019, the amendment of the passenger transport services as set out in the confidential sheet.

3. The Executive Director (Finance and Resources) authorised:

3.1 Westcliff Rugby Club – Relocation Update and Demolition of Old Clubhouse

Following the completion of the new clubhouse and pitches for Westcliff Rugby Club, and their successful move in to them, the old building on Aviation Way is ready for demolition. It is intended that the footprint of the old building used to extend the parking arrangements to serve both Aviation Way and Airport Business Park, and that this is accompanied by the introduction of traffic control measures on Aviation Way and the Business Park Roads to help manage congestion. Income generated from the parking arrangements will be put to the management and the maintenance of these private estate roads which are outside the Borough.

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