

**Public Document Pack**  
**SOUTHEND-ON-SEA BOROUGH COUNCIL**

**Cabinet**

**Date: Tuesday, 15th June, 2021**

**Time: 2.00 pm**

**Place: Committee Room 1 - Civic Suite**

**Contact: Colin Gamble**

**Email: colingamble@southend.gov.uk**

**A G E N D A**

- 1 Apologies for Absence**
- 2 Declarations of Interest**
- 3 Minutes of the Meeting held on 23rd February 2021**
- 4 COVID Update**  
Report of Executive Director (Transformation) attached
- 5 Delivery of Southend 2050 Outcomes and Priorities - Annual Report and Provisional Resources Outturn 2020/21**  
Report of Executive Director (Finance and Resources) attached
- 6 Southend New Local Plan**  
Report off Deputy Chief Executive and Executive Director (Growth and Housing) attached
- 7 Culture-led Regeneration and the Town Centre**  
Report of Deputy Chief Executive and Executive Director (Growth and Housing) (to follow)
- 8 Levelling Up Fund Applications**  
Report of Deputy Chief Executive and Executive Director (Growth and Housing) (to follow)
- 9 Disabled Grants Policy**  
Report of Executive Director (Adults and Communities) attached
- 10 Special Guardianship Order (SGO) Updated Policy**  
Report of Executive Director (Children and Public Health) attached
- 11 Electric Vehicle Charging Policy**  
Report of Deputy Chief Executive and Executive Director (Growth and Housing) attached
- 12 ASELA Governance**  
Report of Chief Executive (to follow)
- 13 Management Arrangements**  
Report of Chief Executive attached

- 14 Treasury Management Report 2020/21**  
Report of Executive Director (Finance and Resources) attached
- 15 Council Debt Management - Position to 31st March 2021**  
Report of Executive Director (Finance and Resources) attached
- 16 Minutes of the Housing & Communities Working Party held 22nd April 2021**  
Minutes attached
- 17 Minutes of the ASELA and Local Government Reform Working Party held 7th June 2021**  
Minutes (to follow)
- 18 Minutes of the Public Protection Working Party held 8th June 2021**  
Minutes (to follow)
- 19 Minutes of the Environment, Culture, Tourism and Planning Working Party held 8th June 2021**  
Minutes (to follow)
- 20 SO46 Report**  
Report attached
- 21 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 items of business set out below on the grounds that they involve 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.
- 22 Confidential Appendix - Management Arrangements**  
Confidential appendix attached
- 23 SO46 Confidential Sheet**  
Confidential sheet attached

# SOUTHEND-ON-SEA BOROUGH COUNCIL

## Meeting of Cabinet

**Date: Tuesday, 23rd February, 2021**

**Place: Committee Room 1 - Civic Suite**

**Present:** Councillor I Gilbert (Chair)  
Councillors R Woodley (Vice-Chair), T Harp, A Jones, C Mulroney,  
K Robinson and M Terry

**In Attendance:** Councillors D Cowan and K Evans  
A Griffin, A Lewis, J Chesterton, J Williams, S Moore, T Saunders,  
T Forster, J Ruffle, C Gamble, G Halksworth, A Keating and  
C Robinson, L White and O Brown.

**Start/End Time:** 2.00 - 3.00 pm

### 850 Apologies for Absence

There were no apologies for absence at this meeting.

### 851 Declarations of Interest

The following Councillors declared interests as indicated:

(a) Cllr Mulroney – Agenda Item 8 (HRA Land Review Phase 4 Lundy Close) – Non-pecuniary interest: Development Control Committee member;

(b) Cllr Jones – Agenda Item 7 (Selective Licensing Designation Report) – Non-pecuniary interest: lives in one of the designation areas as a resident;

(c) Cllr Cowan – Agenda Item 8 HRA Land Review Phase 4 Lundy Close) – Non-pecuniary interest: Development Control Committee member; Agenda Item 10 (Modern Methods of Construction Foundation 200 Project) – Disclosable interest: lives in close proximity to Juniper Road (withdrew);

(d) Cllr K Evans – Agenda Item 10 (Modern Methods of Construction Foundation 200 Project) – Disclosable interest: Benefactor of Salvation Army (withdrew);

(e) Cllr Terry – Agenda Item 9 (Dog Control Public Spaces Protection Order) – Non-pecuniary interest: lives opposite the beach on Eastern Esplanade;

(f) Cllr Woodley – Agenda Item 7 (Selective Licensing Designation Report) – Non-pecuniary interest:

### 852 Minutes of the Meeting held on Thursday 14th January 2021

Resolved:-

That the Minutes of the Meeting held on Thursday, 14<sup>th</sup> January 2021 be confirmed as a correct record and signed.

### **853 Outcome Success Measures Report**

The Cabinet considered a report of the Chief Executive presenting the Southend 2050 Outcome Success Measures for 2020/21, covering the period 1 September 2020 to 31 December 2020.

Resolved:

1. That the progress made on delivery of the Southend 2050 outcomes and activity on the roadmap as at 31 December 2020, be noted.
2. That the continuing impact of Covid-19 and the iterative review of the Southend 2050 Roadmap, be noted.
3. That the revised reporting schedule of the Southend 2050 Outcome Success Measures Report (as set out at section 4.3 of the submitted report), be approved.

Reasons for Decision:

To drive the delivery of the Southend 2050 ambition through robust and strategic performance management arrangements.

Other options:

None.

Note: This is an Executive Function

Cabinet Member: Cllr Gilbert/As appropriate to the item

### **854 ASELA**

The Leader of the Council advised that a decision had been taken in December 2020 by the Leaders of the respective Councils to endorse, in principle, the establishment of a Joint Committee of the ASELA authorities. However, participation by Southend Borough Council in such joint arrangements would need to be agreed by the Full Council. The matter had been considered at the meeting of the ASELA and Local Government Reform Working Party held on 11<sup>th</sup> February 2021 and a report on the governance arrangements would come forward in due course.

In referring to the transformation programmes included within the ASELA Growth and Recovery Prospectus, agreed in July 2020, the Chief Executive highlighted the progress of some of the key projects.

Resolved:

That the current position with regard to the development of appropriate governance arrangements for ASELA, be noted.

Reasons for decision:

To receive an update on the development of governance arrangements for ASELA.

Other options:

None

Note: This is an Executive Function  
Cabinet Member: Cllr Gilbert

## **855 Southend New Local Plan**

The Cabinet considered a report of the Deputy Chief Executive and Executive Director (Growth & Housing) presenting a revised and updated Local Development Scheme (LDS), which set out the future programme for the preparation of the Southend New Local Plan.

Recommended:

1. That, in order to take forward the Southend New Local Plan in a timely, coordinated and efficient manner the updated and revised Local Development Scheme (set out at Appendix 1 to the submitted report), be approved.
2. That authority be delegated to the Deputy Chief Executive and Executive Director Growth and Housing, in consultation with the Cabinet Member for Environment and Planning, to agree any future updates to the Local Development Scheme (Appendix 1 to the report) as required.

Reasons for decision:

To ensure the expeditious production of a New Local Plan for Southend and associated evidence base to manage and guide future growth and development in the Borough and its hinterland in a positive and timely manner, where the Council has control of decision making in the public interest as representatives of the local community.

Other options:

1. The failure to prepare a new local plan for Southend would result in its current plans becoming increasingly out of date and the Council becoming increasingly unable to positively influence the scale, nature and location of development within the Borough.
2. An out-of-date local plan also brings the potential risk of “planning by appeal” with the responsibility for decision making increasingly being passed from the Council and the local community to the Planning Inspectorate and the Secretary of State, as the Council’s existing local plan becomes further out of date.

Note: This is a Council Function  
**Called-in to: Place Scrutiny Committee**  
Cabinet Member: Cllr Mulronev

## 856 Selective Licensing Designation Report

The Cabinet considered a joint report of the Deputy Chief Executive and Executive Director (Growth and Housing) and Executive Director (Neighbourhoods and Environment) presenting the results of the public consultation on the proposal to introduce a Selective Licensing Scheme within specific neighbourhoods in the wards of Milton, Kursaal, Victoria and Chalkwell and setting out the basis for recommending Selective Licensing Designation and the work that is needed to move this forward.

Resolved:

1. That the findings of the public consultation as set out in section 4 of the submitted report, be noted.
2. That the introduction of Selective Licensing Scheme Designation in the proposed neighbourhoods, be approved.
3. That it be noted that a further report will be presented back to Cabinet for consideration in June or September 2021, containing a comprehensive financial assessment and clear recommendations on how the scheme could be delivered.
4. That the use of up to £50,000 from the Business Transformation Reserve to support the design and associated financial modelling of a future Scheme, be approved.

Reasons for Decision

To address the impact of poorly rented properties on the local environment and to improve housing conditions.

Options

None

Note: This is an Executive Function

**Called-in to: Policy and Resources Scrutiny Committee**

Cabinet Member: Cllr Gilbert

## 857 HRA Land Review Phase 4 (Lundy Close)

The Cabinet considered a report of Deputy Chief Executive & Executive Director (Growth and Housing) providing an update on the progress of the HRA Land Review Phase (Lundy Close) following the Public Notice for the appropriation of land on the North Site of Lundy Close and set out the next steps for this development for consideration..

Resolved:

1. That the responses received following a Public Notice and the considerations and mitigations in regards to these as detailed in section 3.6-3.14 of the submitted report, be noted.

2. That the development of the north site of Lundy Close for Council Housing based on the conclusion detailed in section 3.15 of the report, be approved.

Reasons for decision:

To provide an update on the progress of the HRA Land Review Phase 4 and to progress the scheme following the responses received to the Public Notice.

Other Options

1. Not to proceed with the development of the North site, due to the objections raised. However after careful consideration it was felt that the concerns raised to the development were mitigated against. Also if the Council were not to pursue the housing development the long-term benefits of increasing housing supply and reducing homelessness would not be achieved.

2. The Council does not need to pursue delivery of Council housing via the HRA Land Phases Review. However, these approaches are considered important contributions to the aims of the *Housing, Homelessness and Rough Sleeping Strategy* and of the Southend 2050 ambitions endorsed by the Council.

Note: This is an Executive Function

**Called-in to: Policy and Resources Scrutiny Committee**

Cabinet Member: Cllr Gilbert

## **858 Dog Control Public Spaces Protection Order**

The Cabinet considered a report of the Interim Executive Director (Neighbourhoods and Environment) setting out the results of the public consultation undertaken in respect of dog controls and recommendations in respect of controls to be included in the Dog Controls Public Spaces Protection Order.

Resolved:

1. That the Southend on Sea (Dog Controls) Public Spaces Protection Order contained at Appendix 3 to the submitted report, be adopted.

2. That a decision on the designation of a dog friendly beach area throughout the year, be deferred pending further research on concerns raised in the consultation.

Reasons for decision:

1. To adopt the Dog Controls Public Spaces Protection Order (PSPO). This will enable continued necessary control of relevant matters relating to dogs and the ability for officers to issue Fixed Penalty Notices where breaches of the Order are witnessed and those responsible are identified.

2. To defer a decision on whether to designate a dog friendly beach area throughout the year. The full length of beaches in Southend are increasingly becoming very heavily used throughout the summer months by families and this is set to increase with staycationing and warmer summers. There are concerns about the potential health risks for families, and children in particular and issues

surrounding the control of dogs and resources required. There are also a number of alternative locations across the borough that dogs are allowed to be walked and exercised throughout the year.

Other options:

1. Not to adopt the PSPO and have no dog controls in place in the Borough. This would leave the whole Borough without any dog controls in place.
2. Dog Friendly Beach – designate an area of beach in a specific location to trial a dog friendly beach area from 1 May 2021 to 30 September 2021 to monitor, review and make further recommendations. Given the investigative work required this is not a feasible option in the timeframe.
3. Dog Friendly Beach – designate a specific dog friendly beach area that can be used throughout the year. Given the investigative work required this is not a feasible option and further investigation into suggested beaches is also required.

Note: This is an Executive Function  
Cabinet Member: Cllr Mulronev

#### **859 Modern Methods of Construction Foundation 200 Project**

The Cabinet considered a report of the Deputy Chief Executive and Executive Director (Growth and Housing) presenting the Modern Methods of Construction (MMC) Foundation 200 and sought approval to progress the redevelopment of the Juniper Road garage site.

Resolved:

1. That the MMC Foundation 200 Project be progressed, which will see a maximum of 8 single unit homes developed on the Juniper Road garage site for this purpose.
2. That authority be delegated to the Director of Property and Commercial for the formal approval of the land transaction for the Juniper Road garage site.

Reasons for decision:

To meet the Council's ambition for increasing the supply of affordable housing in the Borough.

Other options:

1. Do nothing - This option considered leaving the existing garage areas in their current underused state. This option would not increase community safety and reduce antisocial behaviour and its associated costs. It also would not contribute to the Council's priority of increasing the supply of affordable housing in the borough nor meet the Council's Southend 2050 ambitions.
2. Sell the land on the open market – This option considered selling the land on the market in order for it to be privately developed. This option was not considered as it was felt that the site would not be attractive to developers due to the noted



site constraints, would not increase the supply of affordable housing in the borough and would therefore not meet the Council's Southend 2050 ambitions.

3. Develop the land for Council housing – This option considered the Council developing the site itself for Council Housing. Given the constraints of the site and that it is not in proximity to any other suitable housing sites, the site would be unviable as it would not achieve economies

Note: This is an Executive Function  
Cabinet Member: Cllr Gilbert

## **860 Annual Procurement Plan 2021/22**

The Cabinet considered a report of the Executive Director (Finance and Resources) presenting the annual procurement plan for 2021/22 in terms of those procurements with a contract value in excess of £1m which require Cabinet approval prior to commencement.

Resolved:

1. That those procurements provided in the attached Appendix to the submitted report for 2021/22 (£1m+ contract value), be approved.
2. That the Council's procurement procedures be amended (pending legal advice and for as long as the PPN remains in place) to allow use of PPN 11/20 and the reservation of below threshold contracts for 'Local Suppliers' (note that following legal advice 'Local' in the PPN is defined by County but under law Southend is defined as a County due to its Unitary status and so we can utilise the Borough boundary).
3. That the tiered approach to the delivery of the 2021-22 procurement plan, should the Council need to apply a flexible use of resource again to support the pandemic response and associated priorities, be approved.
4. That it be noted that the full procurement plan for 2021/22 (contracts with a value of £25k and above) will be listed at <http://seattle/Pages/Contracts-Register.aspx> by the end of March.
5. That it be noted that the capital projects approved by Cabinet as part of the capital programme and with a value of over £25k, will also form part of the final procurement plan for 2021/22.
6. That the development and contents of the corporate contracts register which is publicly available via the Council website at the above link, be noted.
7. That it be noted that the development of the 3 year procurement pipeline plan (2021-24) will be finalised by the end of March 2021 and hosted at the above web-link.
8. That the flexible approach taken to the delivery of the procurement plan during 2020-21 due to the pandemic, competing priorities and the need to re-distribute Council resources (for context 73 of the 320 Procurements/contracts on the plan were either extended or deferred to 2021/22), be noted.

9. That it be noted that the spend with local suppliers in 2019-20 was 35% (out of a spend of c£150m) and that this will continue to be monitored each financial year (the current spend during 2020-21 is detailed in Section 5 of the submitted report).

10. That the continued implementation of our Corporate Contract Management system, be noted.

11. That it be noted that training to local suppliers on how to access and bid for Public Sector contracts will continue to be provided as spend across the sector is £290Bn per annum (versus c£150m by Southend).

12. That it be noted that, although Brexit has taken place, the Public Contract Regulations 2015 are still part of UK Law and there remains the requirement to award contracts in an open, fair and transparent way. The Council's Contract Procedure Rules are already set to support local spend as far as the law allows and so the above PPN 11/20 is the other opportunity the Council has.

Reasons for Decision:

Approval of the Council's annual procurement plan is required under Part 4g of the Council's Constitution.

Other options:

1. The Council could choose to not embed the PPN 11/20 into our Council procurement procedures but the Council may lose the opportunity to further support the economic recovery.

2. The Council could choose to not apply a tiered approach to the delivery of the procurement plan during 2021-22 but this will potentially reduce the flexibility of the Council's workforce (especially those within corporate procurement, commissioning teams and contract managers across the Council).

Note: This is an Executive Function  
Cabinet Member: Cllr Woodley

## **861 Treasury Management - Quarter 3 2020/21**

The Cabinet considered a report of the Executive Director (Finance and Resources) presenting the Quarter Three Treasury Management Report covering the treasury management activity and compliance with the treasury management strategy for both quarter three and the period from April to December 2020.

Resolved:

1. That The Quarter Three Treasury Management Report for 2020/21, be approved.

2. That it be noted that the Treasury management activities were carried out in accordance with the CIPFA (The Chartered Institute of Public Finance and

Accountancy) Code of Practice for Treasury Management in the Public Sector during the period from April to December 2020.

3. That it be noted that the loan and investment portfolios were actively managed to minimise cost and maximise interest earned, whilst maintaining a low level of risk.

4. That it be noted that £1.226m of interest and income distributions for all investments were earned during this nine month period at an average rate of 1.07%. This is 1.13% over the average 7 day LIBID (London Interbank Bid Rate) and 0.97% over the average bank rate. Also the value of the externally managed funds decreased by a net of £0.183m due to changes in the unit price, giving a combined overall return of 0.91%. (Section 8 of the submitted report).

5. That it be noted that the level of borrowing from the Public Works Loan Board (PWLb) (excluding debt relating to services transferred from Essex County Council on 1<sup>st</sup> April 1998) remained at £310.3m (Housing Revenue Account (HRA): £75.0m, GF: £235.3m) during the period from April to December 2020.

6. That it be noted that the level of financing for 'invest to save' capital schemes decreased from £8.64m to £8.58m during the period from April to December 2020.

Reasons for decision:

The CIPFA Code of Practice on Treasury Management recommends that Local Authorities should submit reports regularly. The Treasury Management Policy Statement for 2020/21 set out that reports would be submitted to Cabinet quarterly on the activities of the treasury management operation.

Other options:

There are many options available for the operation of the Treasury Management function, with varying degrees of risk associated with them. The Treasury Management Policy aims to effectively control risk to within a prudent level, whilst providing optimum performance consistent with that level of risk.

Note: This is an Executive Function  
Cabinet Member: Cllr Woodley

## **862 Minutes of Environment and Planning Working Party held on Wednesday 20th January 2021**

The Cabinet considered the recommendations of the Environment and Planning Working Party held on 20<sup>th</sup> January 2021 concerning the Notices of Motion referred to the Working Party by Cabinet on 3<sup>rd</sup> November 2020.

Resolved:

That the recommendations of the Environment and Planning Working Party concerning the Notices of Motion set out below, be approved:

1. Ban barbeques on beaches and public open spaces

- a) That the Notice of Motion Note relating to the use of barbeques on beaches, parks and open spaces, be noted.
- b) That officers review the potential use of existing byelaws to address barbeques in inappropriate locations.
- c) That officers develop a robust policy for the management of barbeques to support use at suitable locations.
- d) That consultation be undertaken via YourVoice Southend on the use of barbeques on the beaches and public spaces in the Borough.

## 2. Make our Gardens and Open Spaces to RHS Britain in Bloom Standard

- a) That the Notice of Motion to make our Gardens and Open Spaces to RHS Britain in Bloom Standard, be noted.
- b) That the parks that meet the criteria continue to be entered for the Green Flag awards.
- c). That it be noted that the Parks Team continue to work with friends groups and volunteers.
- d). That, if a community group wishes to set up as an In Bloom Committee to enter the Borough in Britain in Bloom, the relevant sections in the Council will liaise with the group.
- e). That it be noted that the planting and management of the Borough's parks and green spaces will continue to adapt to the changing climate and environment, to support biodiversity, and help meet the varied needs of citizens.
- f). That consultation be undertaken on Your Voice Southend to provide up-to-date information about how people use the town's parks and green spaces and how they would like to use them in the future.

## 3. Water Fountains and Water Bottle Refill Points

- a) That the Notice of Motion on water fountains and water refill points, be noted.
- b) That no new public water fountains be installed at this stage.
- c). That the water bottle refill schemes that are available continue to be promoted, with a view to increasing access points for these schemes.

Reasons for decision:

To respond to the recommendations from the Environment and Planning Working Party in relation to the Notices of Motion.

Other options:

None

Note: This is an Executive Function

**Called-in to: Place Scrutiny Committee**

Cabinet Member: Cllr Mulronee

**863 Minutes of Transport, Capital and Inward Investment Working Party held on Thursday 7th January 2021**

The Cabinet considered the recommendations of the Transport, Capital and Inward Investment Working Party held on 7<sup>th</sup> January 2021 concerning the Notices of Motion referred to the Working Party by Cabinet on 3<sup>rd</sup> November 2020.

Resolved:

That the recommendations of the Transport, Capital and Inward Investment Working Party concerning the Notices of Motion set out below, be noted:

1. Cycling Strategy

a) That an update on the LTP4, including the development of a cycling strategy, be presented to the Working Party at a meeting later in the year

b) That a report / briefing be added to the Agenda for the next/future meeting of the Working Party providing an update on the progress of the Transport Strategy to date and what the next steps are.

2. Ekco Park Estate

That a Development Control training session be arranged on the planning rules regarding adoption of highways.

3. Tyre Pump Stations

That Portsmouth City Council be contacted to ascertain their experiences on the installation of communal bike pumps in the City as part of the feasibility study to provide similar facilities in the Borough.

Reasons for decision:

To respond to the recommendations of the Transport, Capital and Inward Investment Working Party concerning the Notices of Motion.

Other options:

None

Note: This is an Executive Function

**Called-in to: Place Scrutiny Committee**

Executive Councillor: Cllr Woodley

**864 Minutes of Community Safety and Customer Contact Working Party held on Thursday 28th January 2021**

The Cabinet considered the recommendations of the Community Safety and Customer Contact Working Party held on 28<sup>th</sup> January 2021 concerning the Notices of Motion referred to the Working Party by Cabinet on 3<sup>rd</sup> November 2020.

On consideration of the recommendations regarding the Notice of Motion on the special constables, the Cabinet member for Community Safety and Customer Contact advised that Community Special Constables were only available to parish councils, but that the Council could support the recruitment of regular Special Constables. He added that there were no operational differences between the two types of constables and proposed an amendment to the recommendations to reflect the position.

Resolved:

That subject to an amendment to the second recommendation of the Community Safety and Customer Contact Working Party in relation to the Notice of Motion on Special Constables, the following recommendations be approved:

1. No Driving on Parks and Open Spaces

- a) That the Notice of Motion relating to driving in, parks and open spaces, be noted.
- b). That Officers consider the options to record reports of drivers acting in an antisocial manner in our parks and green spaces.
- c). That at parks where persistent confirmed reported problems of vehicles driving on the grass, signs are erected advising people of the byelaws.
- d). That Officers review current byelaws and the enforcement of these will be considered as part of the current enforcement review.
- e). That the continued use of defensive measures be considered at parks and green spaces where confirmed ongoing problems with vehicles accessing grass areas have been recorded.

2. Recruit the Two Special Constables Per Ward

- a) To work with Essex Police to develop a marketing campaign to attract new Community Special Constable recruits to Southend.
- b) That the Council commits to supporting the Police recruitment of regular Special Constables in Southend, through a joint Council and Police local recruitment campaign, to include the Employer Supported Scheme.

Reasons for decision:

To respond to the recommendations from the Community Safety and Customer Contact Working Party in relation to the Notices of Motion.

Other options:

None

Note: This is an Executive Function  
Cabinet Member: Cllr Terry

**865 Minutes of Housing and Communities Working Party held on Monday  
15th February 2021**

The Cabinet considered the recommendations of the Housing and Communities Working Party held on 15<sup>th</sup> February 2021 concerning the Notices of Motion referred to the Working Party by Cabinet on 3<sup>rd</sup> November 2020.

Resolved:

That the recommendations of the Housing and Communities Working Party concerning the Notice of Motion set out below, be approved:

Food Justice Champion

- a) That the Notice of Motion seeking the appointment of a Food Justice Champion be noted.
- b) That a project for the establishment of a member-level Food Justice Champion, or similar role be approved.
- c) That dedicated officer support and resources be provided to ensure that the proposed Food Justice Champion (or similar) is fully supported in the delivery of their objectives and priorities.
- d) That the proposed Food Justice Champion (or similar) is fully able to co-ordinate existing interventions to address issues of food poverty in the Borough in conjunction with local voluntary and public sector partner organisations, and to identify likely future demand on current arrangements to reduce food poverty.
- e) That progress with regard to the ongoing work programme of the proposed Food Justice Champion (or similar) to identify, understand and address issues that contribute to local food poverty, be reported to the Working Party on a regular basis.

Reasons for decision:

To respond to the recommendations from the Housing and Communities Working Party in relation to the Notices of Motion.

Other options:

None

Note: This is an Executive Function  
Cabinet Member: Cllr Gilbert

**866 Minutes of Transport, Capital and Inward Investment Working Party**

**held on Thursday 18th February 2021**

The Cabinet considered the minutes of the meeting of the Transport, Capital and Inward Investment Working Party held on 18<sup>th</sup> February 2021 concerning London Southend Airport.

Resolved:

That the minutes of the meeting of the Transport, Capital and Inward Investment Working Party be noted.

Note: This is an Executive Function  
Cabinet Member: Cllr Woodley

**867 SO46 Report**

Resolved:

That the submitted report be noted.

Note: This is an Executive Function  
**Called-in to: Place Scrutiny Committee and Policy and Resources Scrutiny Committee**  
Cabinet Member: As appropriate to the item.

**868 Exclusion of the Public**

Resolved:-

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 would involve 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.

**869 SO46 Report Confidential Sheet**

Resolved:

That the submitted report be noted.

Note: This is an Executive Function  
**Called-in to: Policy and Resources Scrutiny Committee**  
Cabinet Member: Cllr Gilbert

**Chair:** \_\_\_\_\_



# Southend-on-Sea Borough Council

Agenda  
Item No.

Report of Chief Executive  
To  
Cabinet

On  
15 June 2021

Report prepared by: Tim MacGregor, Policy Manager

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## The Council's response to Covid-19 - update

Relevant Scrutiny Committee(s): Policy and Resources; People; Place  
Cabinet Member: Councillor Gilbert  
Part 1 (Public Agenda Item)

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### 1. Purpose of Report and desired outcomes

To update Cabinet of the action taken by the Council in response to the Covid-19 pandemic and its approach to protect and support residents, local businesses, staff and the borough in general.

### 2. Recommendation

2.1 That Cabinet note the action taken to date in response to the Covid-19 crisis.

### 3. Background

3.1 Cabinet received an outline of the Council's response to the Covid pandemic in June and September 2020, and this report provides a further update on action taken to manage, and live with, Covid going forward.

3.2 Tragically, over 127,500 people have died in the UK as a result of Covid, with over 609 deaths in Southend-on-Sea, including, very sadly, two members of council staff (figures based on death within 28 days of testing positive. It has had an all-consuming impact on the day to day life of everyone and on the services, policies, finances and governance of all local authorities.

3.3 The Council is very proud of its response, and that of the community and partners, which has saved lives, alleviated a breakdown of health services and supported the most vulnerable in the community. Excellent relationships and work with partners from areas, including health, community safety, education, voluntary sector, business, local authority, civil service and others has been key to a successful response, and these strengthened relationships bodes well for future partnership working. This has enabled: the ongoing provision of Personal Protective Equipment (PPE); getting essentials to those in need via the helpline service; securing accommodation for rough sleepers; getting

financial support to businesses; ensuring residents and visitors are safe on the seafront and elsewhere; ensuring the safety of those in care homes; keeping education going and supporting and rolling out test and trace and the vaccination programme. All this, while keeping day to day services going, was achieved with remarkable speed, dedication and with many staff going way beyond the call of duty. In recognition of this work, and in line with the example of other councils, it has been agreed to grant staff, a one off, extra day of leave and to continue to develop other appropriate forms of recognition.

3.4 A series of reports and research have highlighted that the virus and its impact has disproportionately affected the elderly, those with underlying health conditions, those who are less well-off and those from some ethnic minority communities. The equality impact assessment of the impact of Covid-19 on equality groups for the borough has, therefore, been updated and a summary is attached at **Appendix 1**.

3.5 The key areas of the Council's response are outlined below.

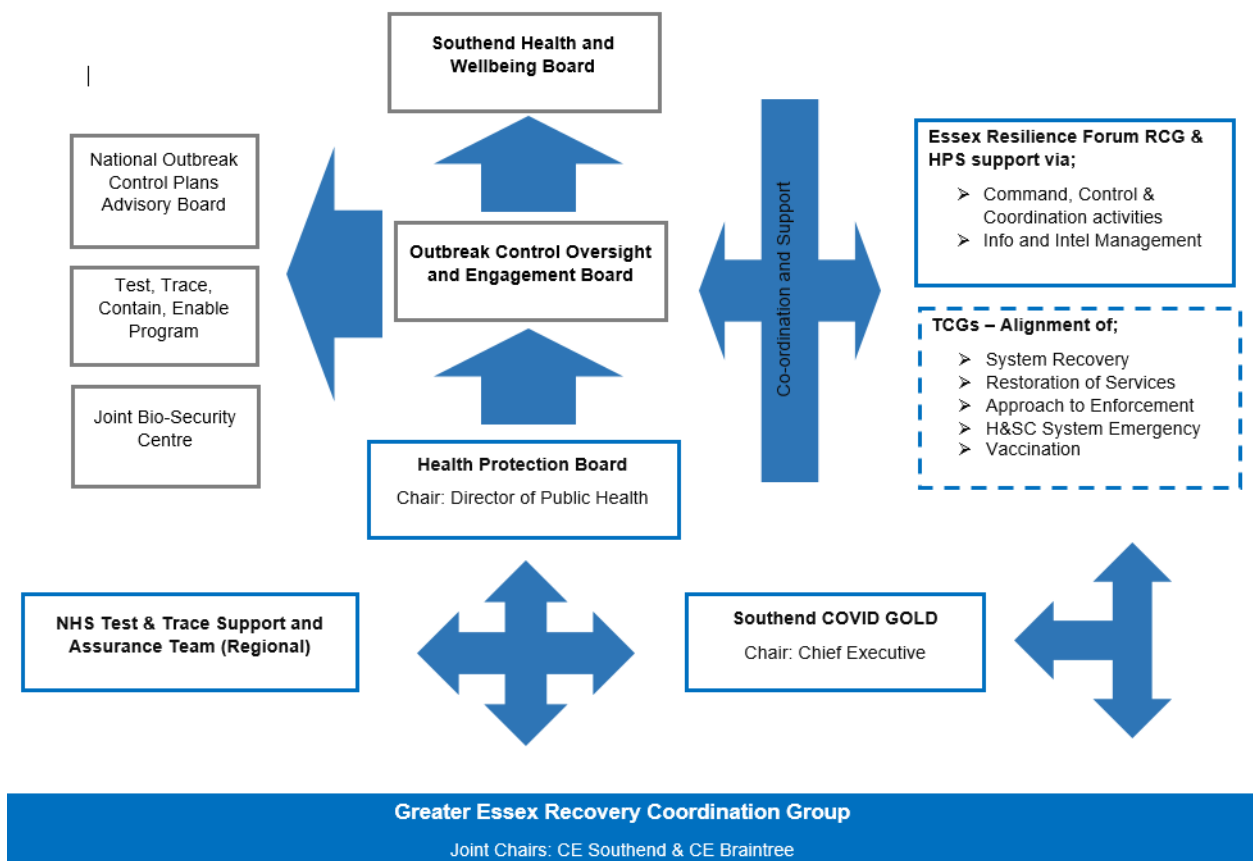
#### **4. Pandemic management**

4.1 The Council's **civil contingency** arrangements have aligned closely to Government requirements and have been shaped by the collective response of the Essex Resilience Forum (ERF). These arrangements adapted over time, with strategic (gold) and tactical command (silver) staff working with partner agencies in leading the response. Further support in managing the response and recovery has been driven by three 'recovery cells' of senior officers and partners focussed on:

- Pandemic Management & Recovery;
- Economic Crises & Recovery and
- Budget, Sustainability & Transformation

4.2 The **Covid-19 Local Outbreak Control Plan (LOCP)**, produced in June 2020 provided the framework for local implementation of the national Test, Trace, Contain and Enable (TTCE) programme and has been central to controlling the rate of reproduction ('R') and reducing the spread of infection. This has been overseen by the **Outbreak Control Oversight & Engagement Board (OCOEB)** of key councillors and the **Health Protection Board**, of key officers and health partners, with the latter meeting weekly (fortnightly from April 2021) to review progress on vaccination, testing, contact tracing, advice on compliance and enforcement of rules and restrictions, infection and mortality rates and to review any local outbreaks and impact of new variants. Engagement with the two MPs is also facilitated by the Director of Public Health. The LOCP was updated in November, and in March 2021 was replaced with a Local Outbreak Management Plan in line with changing circumstances.

**Pandemic governance arrangements – Southend and Essex (fig 1):**



- 4.3 The local response has, therefore, meant adapting to the latest Government requirements of the borough, including entering tier one (medium) from 12 October, tier two (high) from 2 December, tier three (very high) from 16 December and the new tier four from 20 December, followed by the third national lockdown from 4 January (see **Appendix 2** for the timetable of Government announcements on tiers and lockdowns).
- 4.4 Regular data reviews and analysis have been, and will continue to be, undertaken under the direction of the Pandemic Management’s Consultant in Communicable Disease and the Director of Public Health. Deep-dive analysis is also undertaken by the Data and Intelligence Cell, with independent additional public health intelligence capacity brought in as and when required, with a number of key areas being monitored:
- Change in trends and variation in any defined population groups;
  - Identifying outbreaks and risk to ensure a swift response;
  - Burden of Covid in relation to hospitalisation, mortality, daily infection rate and R rate;
  - Specific areas such as excess mortality in care homes, infection level across wards and more disadvantaged communities, exploring the outputs of Incident Management Teams.
  - Review of Variants of Concern and Mutants (VAM) and need to respond.
- 4.5 Southend has been operating three Lateral Flow Devise asymptomatic and four PCR symptomatic testing sites, with additional testing being provided in

collaboration with schools and community home testing and the use of the Twenty One venue on the seafront. The LOMP outlines the detailed arrangements for local testing, the Essex and Southend Contact Tracing Service (ESCTS) and the processes for dealing with outbreaks. The ESCTS provision for the borough is currently under review, with a view to being directly managed by the Council, rather than Essex County, from September 2021.

- 4.6 The NHS, via Primary Care Networks and Essex Partnership University NHS Foundation Trust (EPUT), were able to quickly put in place a successful **vaccination programme** from December, with five sites operating across the borough by mid-January, and a further two, including the Cliffs Pavillion, added. The programme has included identifying and setting up local sites, training staff, recruiting volunteers and developing new processes and procedures. The success of the programme, overcoming operational difficulties such as intermittent supplies early on, is a testimony to excellent collaboration between GP practices, Southend Clinical Commissioning Group, the Council, the voluntary sector and EPUT. This collaboration has also enabled targeted vaccination of the most vulnerable, including care home residents and staff, front line NHS and social care workers, former rough sleepers and to engage with those population groups where there is vaccination hesitancy. As at the end of May 70% of over 15 year olds in the borough had received their first dose and over 44% their second.
- 4.7 The OCOEB has overseen the refreshing of the messaging to the public and stakeholders, which has included regular webinars with schools and businesses, multi-media campaigns to promote key messages on, for example, maintaining social distancing, hand hygiene and using face covering in the appropriate settings. Regular community engagement webinars continue to provide reassurance, responding to local concerns and to gain more insight to support the local response.
- 4.8 The **Covid helpline** has continued to operate during the pandemic, providing advice and support on a range of issues. Calls grew steadily during the Autumn and jumped dramatically to over 1300 in January, with calls mainly relating to schools testing policy and then peaking in March, with testing related queries, including chasing test results. Numbers of calls have since fallen significantly and the need to use re-deployed staff and the operation of the helpline is being reviewed accordingly and to align with the contact tracing service.

## 5. Social care

- 5.1 Throughout the pandemic there has been severe pressure on health and social care services, and the hospitals in particular, with peaks in April and November 2020 and early January 2021. The Essex Resilience Forum declared a major incident in December 2020, based on the critical demand on the NHS and the resulting heightened demand on social care. This led to enhanced and swift collaboration and escalation in bed management, to allow the hospital to free beds safely. The Council also reviewed other social care provision, such as domiciliary care, supported living and day centres to ensure the right level of support was in place.

- 5.2 A major focus was placed on infection control in all care homes, which included the management and restriction of care home visits, the management of outbreaks among residents and staff and the knock on impact in service provision. This required putting a number of contingencies in place, including using pool staff and volunteers and a re-launch of the Priory House unit in January for the recently discharged from hospital with a covid test. The unit provides capacity for 12 beds to support people before they return to their care home or go to another Covid-19 free care home. In addition, the key worker parking permits scheme for NHS and care workers, enabling them to park when carrying out essential work, was extended to the end of June.
- 5.3 An in depth joint health/social care business continuity plan to manage future outbreaks, and a potential further 'wave' on easing of lockdown and for the coming winter, has been developed. This was been complemented by the development of an Essex wide Adult Social Care Escalation Framework (LAPEL – the Local Authority Pressures Escalation Levels), by the ERF, in January, with specific triggers and thresholds identified to escalate action further and which was seen as good practice beyond Essex.
- 5.4 There has been a particular focus on learning how to enhance services by doing things differently, including using digital methods for social care assessments and Project 49's 'on-line 49' innovative day opportunity for adults with learning disabilities, offering classes and social contact, which has gone from strength to strength. However, there is a real awareness of some of the challenges ahead in relation to social care, including an anticipated increased demand for mental health services.

## **6. Compliance, enforcement and community safety**

- 6.1 Compliance with Government Covid regulations and advice has generally been extremely good, with only a few incidents of serious non-compliance requiring more formal action that led to closure or a fine. Covid 'compliance ambassadors' have been in place since October 2020, and remain in place, providing advice and guidance to business and others (supported by £95,000 government funding). Regulatory Services and Community Safety Officers have also been provided advice and guidance as well as more formal interactions with businesses as necessary. Officers have undertaken regular joint visits with Police to hospitality premises, including those in the night time economy, to ensure compliance and respond to reports of breaches of Covid legislation.
- 6.2 With hospitality premises being closed, there has been a growing number of groups gathering outdoors in open spaces and beaches with their own alcohol - often in large numbers and from outside Southend. This has resulted in more incidents, some serious, of anti-social behaviour. This has all put additional pressures on a number of front line Council services, and on occasions, the Police have put Dispersal Orders in place (such as in Old Leigh) to prevent issues from escalating, where large groups have been involved. Concerns also remain with the impact on levels of domestic abuse, including potential under-reporting of cases. This gives heightened focus to the on-going work to prepare for the new requirements of the Domestic Abuse Act.

## **7. Re-opening Southend**

7.1 The Council led and developed its multi-faceted plan, 'Operation Heatwave' to ensure the borough was fully prepared to welcome back visitors and keep residents safe as national restrictions eased. The plan was developed with a local stakeholder group of traders that includes Southend Business Improvement District, Southend Tourism Partnership and Leigh Town Council. The measures and resources will focus on town centre, open spaces, seafront and beaches. Action has included:

- Further use of the 'compliance ambassadors' to work in the community and visit premises to check compliance and signpost to guidance.
- Extra resources being deployed from end March, including toilet attendants, additional temporary toilets and medical support.
- Additional litter picking and bin emptying in parks at weekends and during the school holidays.
- More of the larger 'EuroBins' along the seafront and additional cleaning of parks.
- Extra seasonal foreshore staff to provide information, advice and first aid.
- Providing guidance to businesses on reopening safely.
- Enhancing community safety via a new security base at Jubilee Beach and more resource on monitoring the seafront.
- The re-opening of car parks and parking enforcement from 29 March 2021.

7.2 The group has been working hard to help the local economy bounce back and help businesses to reopen safely while keep residents safe. Promotion of 'Visit Southend Safely' has seen local businesses being provided with signage, poster templates and guidance, with extensive signs being put in shopping areas across the borough.

## **8. Local economy**

8.1 While the UK economy is now predicted to have its strongest economic growth (7.25% for 2021) since the Second World War, this follows a drop of 10% in 2020 and the Bank of England says that the economic outlook remains 'uncertain' following the phased ending of furlough support by September. This coupled with the tapered end of a range of other government support measures, the lifting of the business evictions ban and ending of the £20 a week Universal Credit uplift (taking £340,000 a week from local residents), highlight the need for ongoing focussed support for the local economy.

8.2 Local businesses, therefore, continued to be supported with a range of government grants and local exemptions provided to cover increased costs or disruptions to cash flow from the various restrictions. Millions have been via Business Grants; Restart Grants; Additional Restriction Grants; discretionary grants; Small Business; Christmas Support Package and Retail, Hospitality and Leisure grant, (see Appendix 3 for detail).

8.3 Phase 2 of the Additional Restrictions Grant (ARG) opened at the end of April for Southend businesses that are not covered by other grant schemes, of

particular benefit to micro-businesses of which Southend has a high proportion. Applicants need to demonstrate business related costs and a reduction in their income of at least 25% since November 2020.

- 8.4 The Economic Recovery Cell has developed strong partnership working with Southend Business Partnership, Jobcentre Plus, Citizens Advice and Southend Adult Community College among others to provide support. Work has focussed on six work streams of: economic hardship; business support; employment; communications; major projects and procurement, social value & procurement. Work to support the unemployed, including the opening of a temporary Jobcentre Plus advice centre in the high street to meet increased demand. Zero percent loans have been offered to bring empty town centre units back into use, along with grants to encourage businesses in central Southend to revitalise their shop fronts (both funded by South East Local Enterprise Partnership). The Council also bought the Victoria Shopping Centre to demonstrate its commitment to the future of the town centre.
- 8.5 Work has also been linked to the Council's kickstart programme of work placements for young people, taking advantage of the Community Renewal, Levelling up and Community Ownership funds, the ASELA (Association of South Essex Local Authority (ASELA) Recovery Taskforce, promoting economic regeneration and growth across south Essex and support for business in relation to Brexit. There will be further work on matching data to benefit needs, planning for effective allocation of food vouchers over holiday periods and links to food and fuel poverty, with a focus on 18-25 year olds and ethnic minorities who have been particularly hit by the loss of entry level and less secure jobs.

## **9. Developing community resilience & engagement**

- 9.1 Test and trace and the vaccine roll out have helped to drive better connectivity with different sections of the community. More regular and more informal 'community listening sessions' are now being held with stakeholders and public, including in relation to young people, those with a disability, those from ethnic minority and faith communities and in relation to homelessness.
- 9.2 The Southend Emergency Fund, set up last year, has continued to support grass roots organisations assist those who need immediate help. Led by Southend Association of Voluntary Services (SAVS), resources have been pooled from the Council, residents and businesses. The fund has enabled the provision of food, IT, mental health support and help with utility bills among many other things, with grants of up to £3000 via an easy access platform.
- 9.3 The Council also facilitated the Southend food alliance to bring new and more established grass roots food bank and schemes together, to share resources and knowledge - supplementing community support for provision of free school meals to those in need with a £15 pre-paid card food scheme and agreeing to appoint officer and member food champions.
- 9.4 The [Livewell Southend Directory](#) with over 1000 entries has become an essential tool for the local social prescribing programme which brings together the NHS, the Council and the voluntary sector, linking residents with resources

in their communities to help them stay well and connected. The site also hosts the SEND Local Offer information.

- 9.5 The Council, SAVS and partner organisations have built on the willingness of the local community to be involved and developed a cohort of ‘community connectors’, to help pass on or signpost people to support/information on the pandemic. Those who sign up are provided with training to develop skills on using local networks and social media, and receive twice weekly briefings, helping to provide key messages and counter misinformation. The scheme has real potential to grow significantly and develop into a network of influencers that share community, council and partner related information and intelligence – reaching those that more traditional methods currently fail to do.
- 9.6 The Council and partners also recognise the essential role played by neighbour to neighbour interaction highlighted in the mutual aid work which began in March 2020, celebrating hyperlocal street networks and acts of kindness via a crowdsourcing of stories and ideas on Good Neighbours. In addition, a ‘pulse’ survey of local residents was undertaken to discover what the impact of Covid and the lockdown has been, to help shape the borough’s recovery priorities.

## **10. Housing & Homelessness**

- 10.1 The successful programme to get rough sleepers into accommodation has continued and developed, with successful funding bids to MHCLG providing a strong position for the Council and partners to continue to provide ongoing support and accommodation. The Council, with help from partners, housed 138 rough sleepers in temporary accommodation with the vast majority being moved into more permanent tenancies, with ongoing support in place. The Council also launched the ‘Rapid Assessment Hub’ project, which includes:
- Providing single COVID-safe rooms available via Southend’s homeless charity, HARP;
  - Carrying out rapid assessments for accommodation pathways for rough sleepers;
  - Finding private tenancies for former rough sleepers to move onto, and
  - Providing former rough sleepers with lessons in life-enhancing skills, such as cooking.
- 10.2 Multi-disciplinary teams of support have been introduced, including mental health outreach workers, in addition to multi-agency outreach worker teams, continuous GP support, a volunteer befriending service and a vaccination programme, covering over 200 former rough sleepers so far. The Council has also used the Next Steps Accommodation Programme and Housing Revenue Account funding to buy additional homes to support the Housing First scheme.
- 10.3 Work has continued in anticipation of the ending of the evictions ban at end of May, by working with social and private landlords to mitigate the impact on tenants and housing supply.

## **11. Education and Early Years**

- 11.1 Working in partnership, the Directors of Education and Early Years and of Public Health, continued to offer support to all setting, school and college



leaders over the past 6-9 months. Significant disruption due to transmission rates towards the end of last year saw services and school provision stretched to meet the needs of those pupils attending and the school's remote provision for those at home. The work of the Education Cell, involving all phases of setting leaders worked throughout to support the production of localised guidance. In addition very regular webinars continued between head teachers and the two directors in order to offer support, guidance and challenge.

- 11.2 Through these meetings, the Council took various positions in relation to the return to schooling at the start of the Spring Term 2021 and the policy on the introduction of secondary school testing. These were sometimes at odds with the position recommended by the Department for Education, but our stance was always guided by what would be in the best interests of our residents. It is fair to say that the relationship between the Council and all settings and schools throughout the pandemic has strengthened.
- 11.3 In addition, the Council has also ensured that direct delivery of services and resources to schools has continued in some form, including the distribution of digital devices to support home learning, and more recently running successful holiday activities for pupils in partnership with schools and providers. Throughout, the Council has also worked very closely with all school leaders to support them in ensuring as far as possible the safety and wellbeing of those pupils not attending school, in particular those classified as vulnerable.
- 11.4 More recently, conversations with school leaders and governors have started of what the 'recovery' curriculum may look like to ensure that any gaps in lost learning as a result of the pandemic are made up over time.
- 11.5 Southend Adult Community College (SACC) was one of the first adult education providers in the country to return to face to face learning and is now delivering 80% of its provision safely across three sites. Remote learning remains in place for 20% of adult learners who are predominantly studying at higher levels. Vulnerable adults and older learners report that being back in college is rebuilding their confidence, improving their mental health and reducing their sense of loneliness. Apprenticeship numbers are slowly growing and demand for skills for employability are increasing with new provision planned to meet local demand. Retention rates are high at 97% and learners say they now feel safe and understand how to keep themselves safe in college, at work and in the community. Welfare checks on adults and young people not attending classes continue to ensure the reasons for non-attendance are monitored. Provision for young people has continued throughout the pandemic with 70% of construction learners securing an apprenticeship, progression course or employment to date.
- 11.6 SACC worked alongside the Council to establish an on-site testing centre for its young people and vulnerable groups who were not attending community testing sites. The college prepared people for home testing and used this time to show adults and young people how to test properly. This would not have been possible without the support of the Council as adult education settings were excluded from the government roll out to schools and colleges. The testing site contributed to the creation of a safe environment for people to work and learn.

- 11.7 The college also fulfilled its role in the community through the preparation and delivery of 4,500 meals for the homeless to provide capacity for the voluntary sector. SACC continues to prepare hot meals for the homeless and those in need within its community.
- 11.8 SACC followed a phased reduction in face to face teaching following the same guidelines as schools, finally closing before Easter. Teaching has continued online with high levels of engagement from 14-16 and 16-19 cohorts, in particular, and community learning. Community learning provision, for example, has 60 courses running with participation rates on average of 86% and rates for Maths, English and ESOL running at around 60%. Welfare checks were undertaken with learners and plans made for a phased return from 15 June, in line with Government guidance, with all learners being risk assessed and only vulnerable young people encouraged to attend in the first instance.

## **12. Leisure & Culture**

- 12.1 Leisure and tourism venues, including museums and galleries, closed from 5 November as part of the second national lockdown, opening briefly in December. They were closed again as Southend entered the highest tier for restrictions and the third national lockdown. Libraries re-opened from 12 April, as did Garons and the Pier, with the other leisure centres, museums and galleries opening on 17 May. The temporary closures saw services adapt, where possible, to on-line provision and also enabled the Beecroft gallery to undergo improvement works, including putting in place a better reception experience for visitors. The Cliffs Pavillion, having been successfully used as a vaccination centre, will re-open in August, with the Palace Theatre due to re-open in September.
- 12.2 Dialogue with Fusion Lifestyle has continued throughout the pandemic to ensure leisure facilities were viable and able to open as soon as possible. The company received £1.2m from the Council and had management fees waived (to be recouped through the Government's income compensation scheme) and were also supported by a successful bid for £400,000 from Sport England's National Leisure Recovery Fund. Discussions have continued on future operating models, accounting, for example, for the greater use of outdoor classes.
- 12.3 The seafront has often been busy with residents, and visitors on warmer days, and seasonal staff were recruited a month earlier than usual this year, helping to cover hot spots. The volunteer beach welfare officer cohort has been expanded for 2021 to cover an increased area and is also extended beyond weekends.

## **13. Communications**

- 13.1 The Council's communications continued to focus on being a trusted source of information, ensuring local people are clear on the frequently changing national restrictions and their impact locally. This particularly related to the consequences of the various lockdowns and placement of the borough in specific tiers. Key areas of communication and campaigns have included:

- Urging the public, businesses and other local organisations to comply with government guidelines, such as maintaining social distancing, wearing masks, sticking to the rule of six and hand washing, to stop the spread of the virus and protect the NHS, particularly as case numbers were rising.
- ‘Stay safe, stay apart, stay local’ campaign to urge residents to adhere to national guidelines.
- Stay at home and ‘Don’t Visit Southend’ campaigns to urge visitors to stay away during lockdown, reminding them, for example, that all seafront parking and visitor attractions were closed.
- Publicising the test and trace programme, in its various forms as it evolved during the crises.
- ‘Get Tested’ campaign to promote the variety of testing offer in the borough, including PCR and LFD testing sites, community collect, and also encourage uptake of testing.
- Publicising the vaccination programme in terms of availability, location, eligibility and with targeted messages at groups with low take up.
- ‘Thank you’ messages, including marking the national day of reflection, for council, NHS staff and other key workers and to communities and groups for their response to the pandemic. This included those who went out of their way to be good neighbours - ‘shining a light’ on Southend’s neighbourly spirit.
- ‘Shop Local, Shop Southend on Sea’ campaign to help local businesses.
- Facilitating and encouraging a number of print and broadcast interviews to promote and explain key public health measures.
- Publicising the availability and process for obtaining the various grants and loans made available to businesses.
- ‘Visit Southend Safely’ - welcoming back visitors and keeping people safe as national restrictions eased.
- Notifying residents of council service availability, including closures and re-openings, as restrictions changed.

#### **14. Staffing, future ways of working and Southend 2050**

- 14.1 The vast majority of council staff have continued to work remotely, with staff only using council buildings where absolutely necessary or where personal circumstances mean there is no alternative. Covid has transformed the way the Council works and accelerated the way digital is part of the fabric of the organisation, benefiting from a re-designed ICT operating model. This has enabled the rapid deployment of new laptops and softphones, better use of collaboration channels and enhanced network security.
- 14.2 There is a widespread recognition that the Council will not be going back to the way it operated before Covid, and, therefore, conversations are continuing with staff on their experiences of remote working and how this can be best blended with using council and other workplaces and reviewing the Council’s overall building requirements going forward. While remote working does not suit everyone, there are also notable air quality, carbon reduction and reduced congestion benefits to the town in reducing staff travel and these benefits are shared with staff in reduced commuting times and costs and the ability to

benefit from improved work-life balance.

- 14.3 Clearly the impact of Covid on the borough, its people and the Council has been huge. In this light a review of the Southend 2050 ambition and desired outcomes is required, along with a fundamental shift in the Council's approach to its change programme. This includes: learning lessons from Covid; integrating the pandemic work streams and the transformation programme (Future Ways of Working) into 2050; working with partners to re-frame desired outcomes, work streams and leads and putting more structure and resource behind the drive for change.

## **15. Governance and 2021 Election**

- 15.1 New governance arrangements put in place to ensure councillors could continue to make key decisions and ensure access by the public by holding on-line or hybrid meetings continued up until the permission to do so expired on 6 May 2021. Despite representations from the Local Government Association and others, formal Council meetings have since been held in person. The pandemic highlighted the need for agile, timely and effective decision making (a theme of the recent LGA 'Health Check' of the Council). A new administration and the easing of lockdown restrictions provides an opportunity to review and revise many aspects of this, including the Council's constitution, supporting councillors to undertake their role and strengthening councillor-officer relations.
- 15.2 The **May 2021 borough and Police & Crime Commissioner elections** posed huge logistical challenges to ensure the democratic process could continue, while the safety of all concerned remained paramount. This included: risk assessments and careful planning for all premises being used; revised layouts to polling stations and count centre to enable social distancing; additional equipment (pencils, masks, screens, sanitisers etc..) being purchased; restrictions on numbers allowed at the count and special arrangements for briefings to candidates and election staff. These measures, among many others, enabled the elections to proceed successfully, including having a turnout that was in line with previous elections.

## **16. Financial Assessment and Overview**

- 16.1 The current financial landscape and operating environment for the Council remains extremely challenging and uncertain. While the Council remains financially resilient from both the impact of Covid and the range of local demand and spending pressures, the Council is currently predicting a cumulative budget gap of £20.7m to the end of 2025/26. The Council's 10 year Financial Sustainability Strategy, agreed in 2020, will, therefore, be reviewed again in the autumn. At the time of writing Government has not yet announced their intentions regarding the next Comprehensive Spending Review or the planned implementation date of previously announced local government finance reform. The future funding challenge is, therefore, clearly very difficult to assess.
- 16.2 The scale and impact of the pandemic has also resulted in an unprecedented national policy and funding response from Central Government. The range, volume and value of different targeted financial support packages have been

issued on a scale never seen before. New announcements have been made on a regular basis containing a varied range of funding/grant support to be either passported on to local eligible businesses and residents or to be used directly by the Council to support our local response to the pandemic.

- 16.3 The total level of Covid-19 related grants allocated to Southend-on-Sea for 2020/21 is outlined at **Appendix 3** and totals nearly **£136 million**. The terms and conditions attached to some of these grant support mechanisms were sometimes issued late or retrospectively, which is perhaps understandable given the scale and urgency to provide funding. A number of funding streams have either been extended into 2021/22 or new funding allocations have been issued for this financial year as the country continues to put in place measures to control further outbreaks of the virus and to try to support local economic recovery.
- 16.4 The Government has also introduced other financial support arrangements such as the Income Guarantee Scheme to help with the impact on the local collection of council tax and business rates. A compensation scheme for sales, fees and charges to try to help to partly offset significant reductions in other local income streams. Finally, additional financial support has been issued to help local authorities cope with a range of additional administration and new burdens associated with assessing and issuing passported funding to eligible businesses and residents where appropriate. To put this into context around 12,000 eligible applications from local businesses have been processed. The scale of this overall level of additional financial support to the Council and associated claims to Central Government are still being finalised as part of the year-end closure of the 2020/21 accounts.
- 16.5 A Budget Transformation Programme for 2022/23 – 2025/26, was agreed as part of the Council's overall budget package, with areas identified to be scoped and developed further during 2021/22. This will support the Council's future financial sustainability, help target resources and avoid a financial 'cliff edge' that would need drastic action over a short time frame.
- 16.6 Other measures to support the Councils drive towards financial sustainability and shape our priority focus include: on-going budget reviews; implementation of outcome-based budgeting; better linking of business planning and budgeting to service outcomes; effective and creative management of service demand; review of major contracts; further implementation of the Commissioning Framework; exploring new commercial opportunities; a range of income generation initiatives and a future business transformation programme.
- 16.7 Outcomes Based Planning and budgeting, started in 2019/20, looks to repurpose and align our resources towards agreed priorities and outcomes. In line with that is a 'Getting to Know Your Business' programme for service managers, introduced in 2020/21, with the first phase helping to establish a baseline for all services on costs, income generation, value for money and relative performance.
- 16.8 This combined assessment, together with a comprehensive 'strategic-fit' review against our Ambition, economic recovery aspirations and delivering better outcomes and value for money, therefore, influenced the development of the

investments, savings, income generation proposals and level of council tax agreed for 2021/22.

## **17. Other Options**

- 17.1 The Council could choose not to outline its response to Covid-19. However, that would mean failing to recognise the huge impact the crisis has had on the borough, its people and the Council along with the Council's approach to recovery.

## **18. Reasons for Recommendations**

To ensure the Council has an opportunity to review action taken to date to tackle the Covid crisis and to consider the appropriate approach to be taken to enable the borough and council to recover.

## **19. Corporate Implications**

- 19.1 Contribution to the Southend 2050 ambition, outcomes and road map**  
The report outlines the range of measures taken by the Council to address the Covid 19 crisis. A separate report for a future Cabinet meeting will outline the Council's approach, and outcome, to reviewing the 2050 ambition and outcomes in the light of the huge impact the crisis has had on the borough, its people, the Council and other stakeholders.

**19.2 Finance and value for money implications**

The significant financial implications are addressed in paragraph 16.

**19.3 Legal Implications – none specific**

**19.4 Equalities and Diversity Implications**

An Equality Impact Assessment has been undertaken to assess the impact Covid-19 has had on equality groups throughout the pandemic. A summary of this is attached at **Appendix 1** and will continue to be updated as more information, becomes available.

**19.5 Other corporate implications:**

**19.6 People Implications**

A number of the aspects of the impact of the pandemic on council staff are outlined in paragraph , including the need to adapt to new ways of working, dealing with the need for new forms of communication, contact and networking and maintaining good staff morale. Future working arrangements are likely to look very different for many staff and the implications for this and how that is managed will be a key element of the recovery work undertaken.

**19.7 Property Implications**

The Council will need to review the current use of buildings and facilities in the light of the re-mobilisation programme, in the context of recovery, and the on-

going need to meet the health requirements of staff and visitors.

### **19.8 Empowerment, co-design/production and consultation**

The report highlights that the response to the pandemic has been one of community, partners, staff, councillors and other stakeholders continuously working closely to ensure the best possible outcomes in very difficult circumstances. The approach to recovery will look to continue this approach, develop new tools for engaging communities and partners to adapt to circumstances and continue to use co-design and co-production approaches in particular service areas.

### **19.9 Green City/Environment/Climate Change**

Indications are that the environmental benefits that were derived from the first period of lockdown, with falls in emissions of carbon dioxide and nitrogen dioxide, have largely been reversed, with, for example, levels of traffic returning to 'normal' levels. However, the Council's Green City Action Plan was agreed by Cabinet in January 2021, outlining the initial steps that the Council will undertake to become a Green City and fulfil its obligations after declaring a Climate Emergency in Autumn 2019.

### **19.9 Risk Assessment**

The Council has reviewed the Corporate Risk Register in the light of the impact and implications of the pandemic.

### **20. Background Papers**

- The Council's response to Covid-19 – report to Cabinet, 9 June 2020
- Southend 2050 milestones & measures – refresh in response to Covid-19 – report to Cabinet, 15 September 2020.
- Full Covid-19 Equality Impact Assessment

### **21. Appendices**

**Appendix 1 - Summary Equality Impact Assessment, Covid-19**

**Appendix 2 - Tier and Lockdown measures affecting Southend on Sea**

**Appendix 3 – Government Grant Support for Covid-19, 2020/21**

## Appendix 1

### COVID-19: Southend Equality Impact Assessment – Summary

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The Equality Act 2010, requires public authorities to have ‘due regard’ to the need to eliminate unlawful discrimination, harassment and victimisation and to advance equality of opportunity between people from different groups. There is also a requirement that public authorities foster good relations between people from different groups with protected characteristics. This includes, for example, ensuring such groups have the ability to access information and eligible services on an equal basis and to have reasonable adjustments made to enable that to happen. The duty to ‘advance equality’ requires the Council to be pro-active in reducing inequalities.

The impact of, and response to, coronavirus affects people differently, with evidence showing the impact will be disproportionately higher on those who are already disadvantaged in other ways.

This EIA assesses the impact of COVID-19 upon protected groups in Southend, by reviewing national and local evidence, where available. Much of the evidence is formed of rapid data reviews – with new research being regularly published, so that the EIA has been reviewed and revised to reflect this. Potential equality risks and impacts are, therefore, assessed for the nine protected characteristics (Disability; Age; Gender reassignment; Marriage and civil partnership; Pregnancy and maternity; Race; Religion or belief; Sex; Sexual orientation) and additional areas such as socio-economic and carers. In addition, the cumulative impact on those in multiple groups is explored, where possible.

#### **Key findings**

**Race** – The Public Health England ‘[Beyond the Data](#)’ report (June 2020) looked at impacts on BAME groups during the first wave, pointing to a range of longstanding inequalities and socioeconomic factors which may be leading to poorer outcomes from COVID-19 among these populations. A Government review into the disproportionate impact of COVID-19 on BAME groups (August [2020](#)) was published, which, along with, the [ONS](#) (October 2020) release, and [Public Health Matters, \(February 2021\)](#) reports, also concluded that a large proportion of the difference in the risk of COVID-19 mortality between ethnic groups can be explained by demographic, geographical and socioeconomic factors, such as where you live or occupation. Ethnicity continues to be a major factor in the health outcomes of communities during the 2021 pandemic waves with deprivation also a key factor.

Non-white individuals form 8.1% of Southend’s population (2011 Census):

- Black African groups (2.1% of Southend residents).
- Pakistani groups (0.61% of Southend residents).
- Bangladeshi groups (0.54% of Southend residents).
- Black Caribbean groups (2.1% of Southend residents)
- Indian groups (1.04% of Southend residents).

Vaccine hesitancy among ethnic minorities has been a focus of the vaccine programme, with take-up of a Covid-19 vaccine lower among all ethnic minority groups compared with the White British population ([ONS](#)). [Figures](#) on vaccination



rates for first doses in the over 50s in England show that the lowest uptake was among people identifying as Black Caribbean and Black African followed by people from Pakistani backgrounds. Data showed that vaccination rates differs by religious affiliation with the lowest rates among those identifying as Muslim and Buddhist. Factors found to play a part in vaccine uptake, including language and deprivation.

**Age** – The majority of deaths involving COVID-19 have been among people aged 65 years and over. Nationally, in the week ending 7 May 2021, 53% of deaths involving COVID-19 were in people aged 75 years and over. For the South East NHS region, Cumulative total number of patients admitted to hospital with COVID-19 from the start of the pandemic up to 16 May 2021 is 53,021, of these:

- Around 34% of all COVID-19 patients admitted to hospital are aged 18-64.
- Around 40% of all COVID-19 patients admitted to hospital are aged 65-84.
- Around 23% of all COVID-19 patients admitted to hospital are aged 85+.

Southend's care homes have seen 93 deaths involving COVID-19 occurring in care homes this year ([ONS, 1 Jan to 14 May 2021](#)). Compared to 148 local authority areas with social care responsibility, Southend is 31<sup>st</sup> highest in England.

Residents aged 70+ make up 15% (26,867 people) of Southend's 184,882 residents (ONS Population projections, 2020). For all age groups, including children, there are equal risks of contracting COVID-19 (ONS, 14 May). Vaccine rollout is by age group, with priority access for some of those working on the frontline or with conditions making them more vulnerable to COVID-19. For children, while complication risks are lower, multiple factors exist which will result in long-term impact:

- Exposure to stress is most difficult for youngest children to manage and leads to an increased stress response, with long term negative impacts in multiple areas.
- Risk of physical development delay due to overcrowding and reduced access to outdoor play. In Southend, 33.2% of households are in flats/maisonettes/apartments, or temporary accommodation.
- During lockdown, there was no in-school provision for those with draft EHCP plans or needs assessments. Guidance has since been updated with [recommended approaches](#) that local authorities, educational settings and parents should follow.

A survey in April 2021 showed those between 16 to 29 years [reported](#) the highest rates of vaccine hesitancy, among age groups.

**Disability** – This group is most likely to have underlying health conditions, raising risk. 45.1% of disabled adults felt worried about COVID-19 vs a third of non-disabled adults, and two thirds (64.8%) felt these concerns affected wellbeing (ONS, 2020). There are messaging concerns for effective communication. PHE is analysing COVID-19 deaths of people with learning disabilities and autism as this impact is currently unpublished. 820 working-age individuals in Southend receive Disability DWP payments, and 7490 receive ESA and incapacity benefits – however the true number of those with disabilities is higher as non-working age individuals are un-counted (DWP, 2016). Vaccine rollout is by age group, with priority access for some of those with disabilities, although ONS has reported some disparity in vaccination rates among disabled people who reported being 'limited a lot' in their day-to-day activities compared with those who were not-disabled. Since April 2020 women have reported

worse mental health and wellbeing than men, however this was also true before the pandemic ([Gov.UK – Gender Spotlight, Apr 21](#)).

**Sex** – There are higher mortality rates for men than women as a result of Covid, although in Southend that difference is marginal (51% against 49%). Southend has 55,500 men of working age (16-64), and 50,100 who are economically active (IMD, 2019). Women form the majority of the frontline health, social care and educational workforce and are more likely to be informal carers for children and elderly, so these groups may face increased risk to contracting COVID-19. Concerns of an increase in the incidents of domestic abuse during lockdown remain, with women being in the highest risk category. Since April 2020 women have reported worse mental health and wellbeing than men, however this was also true before the pandemic ([Gov.UK – Gender Spotlight, Apr 21](#)).

**Sexual orientation** - Due to a number of health inequalities that LGBT people experience, some sections of LGBT communities may be at higher risk from being severely affected by the virus.

- LGBT people aged 50+ are more likely to be living with long-term health conditions (International Longevity Centre UK, 2019), increasing risk of serious illness.
- 51% of those diagnosed with HIV are gay and bisexual men (THT, 2018). Severe COVID-19 could be greater for those not receiving HIV treatment (Avert, 2020).
- 24% of homeless people aged 16-24 are LGBT, affecting ability to self-isolate and access care.
- 52% of LGBT people experienced depression in 2017-18 (Stonewall, 2019). COVID-19 related factors can cause detrimental effects for those living with long-term mental health conditions which disproportionately affect LGBT people.
- Older LGBT people are more likely to be socially isolated, and LGBT people of all ages are more likely to have 'chosen families'. Lockdown may lead to separation from those closest, or exposure to LGBTphobic families.
- LGBT Foundation's helpline saw 70% more calls about transphobia and 36% more calls about homophobia this 16th March to 5th April than last year.

**Socio-Economic** – People living in deprived areas have higher diagnosis rates – Greater than the inequality in mortality rates in previous years, indicating greater inequality in death rates from COVID-19 (PHE, June 2020). 6.15% of Southend's 4963 households are 'Families with limited resources who budget to make ends meet', a group likely to face financial hardship during the pandemic. Characteristics include; age 31-35, household income less than £15k, with children, and routinely facing limited resources and tighter budgets. [A map visualises coronavirus cases](#) in Southend since the start of the pandemic (to February 2021) - With Victoria ward worst affected, followed by – Milton, Chalkwell, Westborough and Prittlewell. Of Southend's 17 wards, the three most deprived are: Kursaal (6.71% of Southend), Victoria (6.78% of Southend), Milton (6.43% of Southend) (IMD LSOAs, 2020), 19.92% of Southend residents live within these three most deprived wards.

## Equality Impact Assessment on groups with protected characteristics

	Impact				
	Yes			No	Unclear
	Positive	Negative	Neutral		
<b>Race</b>		X			
<b>Age</b>		X			
<b>Disability</b>		X			
<b>Gender reassignment</b>		X			
<b>Marriage and civil partnership</b>				X	
<b>Pregnancy and maternity</b>		X			
<b>Religion or belief</b>		X			
<b>Sex</b>		X			
<b>Sexual orientation</b>		X			
<b>Carers</b>		X			
<b>Socio-economic</b>		X			

Descriptions of the protected characteristics are available in the guidance or from: [EHRC - protected characteristics](#)

Overarching mitigating responses across all groups have tailored to different audiences and centre around four key pillars:

**1. Prevention - to prevent spread and encourage the public to use track and trace and take up vaccinations.** PHE assets used as much as possible and localise if required. Widespread “push” messages disseminated out across all owned channels, both from SBC and partners.

**2. Management of Outbreaks.** A local contact tracing service delivered by the Essex and Southend Contract Tracing Service. There is a generic communications approach tailored to relevant audiences. Template guidance for communication issued by PHE is followed and adapted where appropriate.

**3. Local action in response to outbreaks/R number/additional insight –** Implementing local action to further prevent the spread of infection, communicating the process around local action decisions, and impacts.

**4. Support – Our strategy for people who need to isolate.** Activity focuses on providing those who need to isolate with effective support and guidance of how best to support themselves during a period of isolation (including financial support/guidance around sick pay). Contact tracers are able to pass on the details of the Essex Welfare Service (EWS) to individuals who are asked to self-isolate.

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## **Tier changes and lockdowns affecting Southend-On-Sea**

**Monday 23 March 2020** - First national lockdown, with restrictions lasting into July.

**Monday 12 October 2020** - [Prime Minister's statement on coronavirus](#)

- Three tier system of local Covid Alert Levels - medium, high & very high introduced.

**Tuesday 13 October 2020** - Southend-on-Sea enter the Tier System at Tier one (Medium).

- Essex CC request to move to tier two (high alert).

**Thursday 5 November 2020** - [Tier system paused, as the Government's four-week national lockdown begins.](#) (in place until 2 December).

**Wednesday 2 December 2020** - [Southend-on-Sea enters Tier Two \(High\) local Covid restrictions.](#) The same tier as Essex and Thurrock and the whole of East of England.

**Wednesday 16 December 2020** -

- [Southend-on-Sea enters Tier Three \(Very High\) local Covid restrictions.](#)
- [Southend joins nine other districts in Tier Three, from the Essex County Council area, Thurrock, the whole of London and four areas of Hertfordshire.](#)

**Sunday 20 December 2020** - [Southend-on-Sea enters Tier Four restrictions.](#)

**Wednesday 30 December 2020** – [Southend-On-Sea to remain in Tier Four.](#)

**Monday 4 January 2021** - [A third national lockdown](#) was confirmed.

**March 8 2021** - Roadmap for England – Part One

- Schools, colleges and some university students return
- Distanced outdoor 1:1 socialisation

**March 29 2021** - [Roadmap for England](#) – Part One

- Up to 6 people may meet outdoors
- Outdoor sports possible
- Parent and child groups possible, maximum of 15
- Stay at home order lifted, remain local
- Work from home where possible
- Holiday travel aboard remains illegal

**April 12 2021** - [Roadmap for England](#) – Part Two

- Non-essential shops, libraries, zoos, theme parks, gyms, self-catering accommodation and salons reopen.
- Outdoor hospitality possible, maximum of 6
- Funerals up to 30, Weddings up to 15 attendees.

**May 17 2021** – [Proposed Roadmap for England](#) – Part Three

- Indoor dining possible
- Remaining outdoor entertainment possible
- Cinemas, soft play, museums, hotels, exercise classes return
- Weddings and funerals, up to 30
- Capacity limits for large public events
- Results to be announced on international travel review

**June 21 2021** – [Proposed Roadmap for England](#) – Part Four

- No legal limits on social contact
- Nightclubs reopen
- Large events possible
- No limits on weddings, funerals or other life events.

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## Appendix 3

### Central Government Grant Support for Covid-19 in 2020/21 Central Government Passported Funding/Allocations

Government Department	Grant Funding Stream	Amount £
BEIS	Business Rates Grants*	45,512,250
BEIS	Top-Up Grants to Businesses* (5% of £38,835,000)	1,941,750
BEIS	Local Authority Additional Restrictions Discretionary Grant Fund	5,289,209
BEIS	Local Restrictions Support Grant Open	408,838
BEIS	Local Restrictions Support Grant Closed	8,117,025
BEIS	Local Restrictions Support Grant Sector	11,034,000
MHCLG	Expanded rate relief discounts for retail and nursery providers	27,134,932
BEIS	Christmas Support Package	44,800
MHCLG	Council Tax Hardship Fund	1,661,945
MHCLG	Business Improvement District Support Grant	18,450
DHSC	Adult Social Care Infection Control Fund	2,734,683
DHSC	Adult Social Care Infection Control Fund (Round 2)	2,321,361
	<b>Total</b>	<b>106,219,243</b>

\* 5% of intended spend of Business Rates allocation used to fund Top-Up Grants to Businesses

#### Central Government Additional Direct Grants

MHCLG	Local Authority Support Grant (Tranche 1)	5,393,935
MHCLG	Local Authority Support Grant (Tranche 2)	5,062,493
MHCLG	Local Authority Support Grant (Tranche 3)	1,571,465
MHCLG	Local Authority Support Grant (Tranche 4)	2,443,745
DHSC	Contain Outbreak Management Fund	4,421,161
DHSC	Test and Trace Service Support Grant	887,492
MHCLG	Local Authority Compliance and Enforcement Grant	95,357
DHSC	Support Clinically Extremely Vulnerable	267,164
DHSC	Test and Trace Support Payment Scheme	183,458
MHCLG	Next Steps Accommodation Programme (Short and long term)	2,304,546
MHCLG/ERDF	Reopening the High Street Safely	163,096
MHCLG/ERDF	Welcome Back fund	163,096
DFT	Emergency Active Travel Fund	1,236,000
DWP	Kick Start Scheme	881,000
DFT	Travel Demand Management	150,000
DFE	Additional Home to School Transport	515,300
DWP	COVID Winter Grant Scheme	573,690
DEFRA	Emergency Assistance Grant for Food and Essential Supplies	212,603
DHSC	Community Testing Programme	270,190
DHSC	Adult Social Care Rapid Testing Fund	634,790
MHCLG	Workforce Capacity Fund	412,000
DCMS	National Leisure Recovery Fund	406,090
DHSC	Practical Support for those Self Isolating	41,036
DHSC	Infection Prevention and Control	826,509
DHSC	Rapid Testing Allocation	551,579
	<b>Total</b>	<b>29,667,795</b>
	<b>Grand Total</b>	<b>135,887,038</b>

**Southend-on-Sea Borough Council**

**Report of Executive Directors (Finance & Resources and Transformation)**

to

**Cabinet**

on

**15 June 2021**

**Agenda  
Item No.**

**5**

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

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**Delivery of Southend 2050 Outcomes and Priorities: Annual Report and Provisional Resources Outturn 2020/21  
All Scrutiny Committees  
Cabinet Members: Councillor Ian Gilbert  
*A Part 1 Public Agenda Item***

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**1 Purpose of Report**

- 1.1 To present Cabinet with the Annual Report for 2020/21, highlighting the achievements, successes, and challenges towards delivery of our Southend 2050 Ambition through the Southend 2050 themes.
- 1.2 To update Cabinet with the provisional revenue outturn for 2020/21, and therefore the indicative level of revenue balances going into 2021/22.
- 1.3 To advise Cabinet of the implications of the revenue outturn for 2020/21 and the potential impact on the 2021/22 budget and future Medium Term Financial Strategy.
- 1.4 To inform Cabinet of the capital investment programme outturn for 2020/21 and to seek approval for the relevant budget carry forwards and accelerated delivery requests.
- 1.5 To seek approval for in year amendments for the current approved capital investment programme for 2021/22 to 2025/26.
- 1.6 To seek approval to carry forward Community Infrastructure Levy (CIL) Main Fund receipts from 2020/21 and previous financial years and to delegate authority to agree how the Ward Neighbourhood Allocations are to be spent.

## **2 Recommendations**

**That Cabinet:**

- 2.1 Note the achievements, successes and challenges brought to life within the Annual Report 2020/21 (Section 4 and Appendix 1).**
- 2.2 Note the provisional 2020/21 revenue outturn position for both the General Fund (Section 5) and Housing Revenue Account (HRA) (Section 6) and delegate the agreement of any final adjustments and the transfer of the actual final General Fund outturn position to the Business Transformation Reserve (Section 5.4) following the completion and audit of the Statement of Accounts to the Executive Director (Finance and Resources).**
- 2.3 Consider and approve the appropriation of revenue funds to and (from) earmarked reserves, as set out in Section 5.17 to 5.23 (General Fund) and Section 6.7 (HRA).**
- 2.4 Note the potential revenue impact of the 2020/21 outturn on the 2021/22 General Fund budget and Medium Term Financial Strategy (Section 5.24 – 5.38).**
- 2.5 Note that the expenditure on the capital investment programme for 2020/21 totalled £66.085m against a revised budget of £71.936m (Sections 7.4 and 7.7).**
- 2.6 Approve the relevant budget carry forwards and accelerated delivery requests totalling a net £6.160m moving into 2021/22 and future years, as set out in Appendix 2.**
- 2.7 Approve the virements, reprofiles, additions, deletions, transfers and new external funding for schemes, as detailed in Appendix 2 and note that this will result in an amended Capital Investment Programme deliverable by the Council of £151.529m for the period 2021/22 to 2025/26, as detailed in Appendix 3.**
- 2.8 Note the requested changes as detailed in Appendix 2 will result in an amended Capital Investment Programme deliverable by South Essex Homes Limited and Porters Place Southend-on-Sea LLP of £64.509m, as detailed in Appendix 3.**
- 2.9 Note the content of the Infrastructure Funding Statement 2020/21 (included in Appendix 4) and agree to carry forward Main Fund receipts from reported year 2020/21 and previous reported years until the CIL Governance Framework and spending plans are reviewed later this year.**
- 2.10 Delegate authority to the Deputy Chief Executive and Executive Director for Growth and Housing (in consultation with Ward Members and the Cabinet Member for Environment, Culture, Tourism and Planning) to agree how the Ward Neighbourhood Allocations received up until 31 March 2021 (excluding allocation to Leigh Town Council) are to be spent.**



**2.11 Approve the procurement for Parking Enforcement and Operations for 2021/22 as set out in Section 9 (£1m+ contract value).**

**3 Background Information**

- 3.1 Southend-on-Sea Borough Council, along with most Local Authorities across the country, continues to face significant challenges in providing essential services to meet the needs of local residents within the level of resources it has at its disposal. As reported throughout 2020/21 this was taken to whole new level of complexity and challenge with the worldwide impact of the COVID-19 pandemic.
- 3.2 The pandemic continues to have a huge direct operational and financial impact right across the country and the Local Government Sector. All local authorities are struggling with the challenges of uncertainty, financial pressures, operational challenges and concerns for their residents and local areas in such unprecedented times. Most of the demand and financial challenges highlighted throughout 2020/21 were inextricably linked directly or indirectly to COVID-19.
- 3.3 The scale and impact of the pandemic has also resulted in an unprecedented national policy and funding response from Central Government. The range, volume and value of different targeted financial support packages issued throughout 2020/21 was on a scale never seen before. New announcements were made on a regular basis containing a varied range of funding/grant support to be either passported on to local eligible businesses and residents or to be used directly by the Council to support our local response to the pandemic.
- 3.4 There is a separate report elsewhere on the agenda which covers the Council's response and summarising the impact of COVID-19 locally. In headline financial terms the total level of financial support allocated to Southend-on-Sea from Central Government for 2020/21 totals around **£135 million**. The terms and conditions attached to some of these grant support mechanisms were sometimes issued late or retrospectively, which is perhaps understandable given the scale and urgency to provide additional funding at such pace.
- 3.5 Several funding streams have also either been extended into 2021/22 or new funding allocations have been issued for this financial year as the country continues to put in place measures to control further outbreaks of the virus and to try to support our economic recovery. Positively, the national vaccination programme is having a real positive impact on controlling the spread of the virus and continues to be rolled out at an unprecedented pace across the adult population.
- 3.6 The Government has introduced other financial support arrangements for Local Authorities such as the Income Guarantee Scheme to help with the impact of reduced levels of collection of council tax and business rates. A compensation scheme for sales, fees and charges has been implemented to try to help to partly offset significant reductions in other local income streams. Finally, additional financial support has been issued to help local authorities cope with a range of additional administrative new burdens associated with assessing and issuing funding to eligible businesses and residents where appropriate.

- 3.7 To put the scale of the extra administrative burden into context around 12,000 applications from local businesses have been processed so far. Many more have also had to be reviewed to assess eligibility. The scale and governance of this overall level of additional financial support to the Council and the associated administration and reconciliation of various grant claims to Central Government are being finalised as part of the year-end closure programme.
- 3.8 The national deadline for publishing the 2020/21 Statement of Accounts has been extended until 31<sup>st</sup> July 2021, as it was last year. The Council remains committed to trying to finalise our year-end arrangements before the end of June 2021 to prioritise financial advice, insight, and support for our recovery in the current year.
- 3.9 The pandemic has made the delivery of our Southend 2050 ambition more challenging, but it remains achievable. It will 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. The key objectives and priorities for the Council for 2020/21 were informed through engagement with our residents, voluntary sector organisations, businesses, and visitors through the earlier development of the Southend 2050 ambition. In 2020/21 our Southend 2050 Outcomes were refocused in response to the COVID-19 pandemic and the need to respond appropriately.
- 3.10 The Council continues to be committed to listening to the views of residents, to help understand their priorities, find out what they think of services and check whether they feel they can influence decisions that affect them and their local area. In December 2020, we launched a Residents' Pulse Survey to try to understand people's experiences during the pandemic and gather their ideas about how Southend could begin to recover. Findings from the Residents' Pulse Survey 2020 continues to inform delivery of the Southend 2050 ambition and outcomes. This information will also influence policy and service delivery considerations for 2021/22 and the future.
- 3.11 As part of the development and approval of the 2021/22 Budget and Medium Term Financial Strategy in February 2021 a new Budget Transformation Programme for 2022/23 – 2025/26, was agreed as part of the Council's overall budget package, with specific areas and themes identified to be scoped and developed further during 2021/22. This will support the Council's future financial sustainability commitment and help to target resources and re-design plans to avoid a financial 'cliff edge' which would require more drastic action over a shorter time frame.
- 3.12 Other measures to support the Council's drive towards financial sustainability and shape our priorities include: on-going budget reviews; implementation of outcome-based budgeting principles; better linking of business planning and budgeting to service outcomes; effective and creative management of service demand; review of major contractual arrangements; further implementation of the Commissioning Framework; exploring new commercial opportunities; evaluating a range of income generation initiatives and continuing to enhance our systems, processes and internal business transformation arrangements.

- 3.13 Our new 'Getting to Know Your Business' programme for service managers was introduced in 2020/21, with the first phase helping to establish a baseline for all services in terms of costs, income generation, value for money and relative performance. The Council was supported in this evaluation by Grant Thornton, who provided an independent review of our medium-term financial assessment by using their specifically designed forecasting model for councils.
- 3.14 The aim of this new initiative is to ensure all service managers in Southend-on-Sea Borough Council have a comprehensive understanding of their business areas in terms of their benchmarked operational and financial performance, key demand and cost drivers, income levels, commercial opportunities, value for money and customer insight. This programme is designed to support managers to improve productivity and efficiency in all our business areas ensuring that we secure best value but also to support a more targeted outcomes based approach to investment.
- 3.15 This provisional outturn report builds on the financial performance monitoring information provided for period 8, which was reported to Cabinet in January 2021. It highlights the changes in the last four months of the year and provides an insight into the major variances that have contributed to the final outturn position. It also considers the potential implications that the 2020/21 outturn will have on the 2021/22 approved budget and Medium Term Financial Strategy to 2025/26 where appropriate.
- 3.16 The operating landscape continues to be uncertain as the medium to long term implications on demand and service delivery during the transition from responding to the impact of the pandemic and towards building and enabling a successful recovery are difficult to assess. Our immediate responsive financial strategy has therefore been made a lot more difficult to design because of this added complexity and uncertainty. The situation will continue to be closely monitored and appropriate tactics will be deployed to support local businesses and communities wherever possible throughout 2021/22.

#### **4 Annual Report 2020/21**

- 4.1 The Annual Place-based report celebrates our successes and achievements from 2020/21, providing an opportunity for strategic reflection and peer accountability at a partnership level. The report gives a high-level overview of how the Council has performed against its delivery of the priority outcomes for Southend 2050 (attached at Appendix 1).
- 4.2 The council have remained resilient despite recent challenging times, losing around 64% of funding from government from 2010, whilst dealing with the political and economic uncertainty of Brexit and the more recent global pandemic of COVID-19. Much of our focus recently has been on responding to the pandemic and building an investment focused approach to recovery.
- 4.3 The attached report presents a visual journey of the Council's achievements through the Southend 2050 themes and milestones outlined on the 2050 Road Map and other key priorities for the Council, with the current status for each milestone; noting any which have been affected by the COVID-19 outbreak.

4.4 It is important to reflect on the work we have done and that the report highlights the progress we have made during 2020/21; the report showcases several of our priorities for the coming year and how our Southend 2050 Outcomes and Roadmap are the vehicle for Southend's local recovery. It is more important than ever that at the heart of our work we remain collaborative, inclusive, honest, and proud.

## **5 2020/21 Provisional General Fund Revenue Outturn**

5.1 2020/21 has clearly been an incredibly challenging and extraordinary year due to the direct impact of the pandemic on both the health and economies of countries right across the world. Here in Southend-on-Sea, the scale of the local financial impact on both expenditure and income expectations has led to huge variations from our original approved plans for 2020/21 and the actual profile of spending bears no comparison to what we would expect to see in a normal year. The Council, along with the rest of the public sector, has also received unprecedented levels of additional funding support from Central Government to try to mitigate the financial impact of the pandemic. This contributed to both the abnormal pattern of spending and huge volatility in our cashflow position throughout the year.

5.2 There have been many additional technical compliance requirements and accounting arrangements introduced for the Local Government Sector in 2020/21. This has been necessary to reflect the additional funding received but also to account appropriately for the different types of support that Central Government has provided. The area of largest change in financial terms has been the relationship between the Council's Collection Fund (which is used to record the transactions and cashflows relating to Business Rates and Council Tax funding) and the General Fund (which in simple terms records all income and expenditure relating to services).

5.3 In response to the pandemic, Central Government introduced a considerable number of different types of rating reliefs for businesses across different sectors. This effectively reduced the value of rates that businesses were required to pay. This clearly reduced the amount of local income available to the Collection Fund and the Council. The mechanism available to compensate local authorities for this type of business rates changes was to issue what is called a Section 31 Grant of equivalent value of the total level of rate reliefs to local authorities via the General Fund.

5.4 The following table summarises the 2020/21 provisional revenue outturn for the General Fund and highlights the scale of spending variations. The Council has had to cope with considerable additional governance responsibilities, to ensure compliance with all the terms and conditions associated with the range, variety and volume of different types of grant income received in 2020/21. Careful consideration has also been given to ensure that the Council prepares appropriately for the ongoing impact of the pandemic and our local economic recovery aspirations in 2021/22. The 2020/21 provisional outturn has been prepared on the assumption that all appropriations to and (from) earmarked reserves proposed in this report are approved. Cabinet are invited to consider the recommended level of appropriations at Section 5.17 – 5.23 in this report.

## Provisional Outturn 2020/21

Last Reported Variance £M	Portfolio	Revised Budget £M	Forecast Outturn £M	Variance £M
2.2	Leader: Housing, ICT, Revenue & Benefits	15.5	16.7	1.2
3.4	Deputy Leader: Assets, Highways & Transport	4.5	9.7	5.2
1.0	Business, Culture and Tourism	4.6	5.9	1.3
4.7	Children and Learning	28.3	31.9	3.6
0.0	Community Safety and Customer Contact	4.2	4.2	0.0
1.8	Environment and Planning	18.4	20.6	2.2
2.8	Health and Adult Social Care	37.1	37.4	0.3
<b>15.9</b>		<b>112.6</b>	<b>126.4</b>	<b>13.8</b>
(0.3)	Corporate Budgets	24.2	21.1	(3.1)
<b>15.6</b>		<b>136.8</b>	<b>147.5</b>	<b>10.7</b>
0.0	Financial and Technical Adjustments	24.2	8.7	(15.5)
0.0	Revenue Contribution to Capital	0.4	0.2	(0.2)
(4.2)	COVID-19 Income Compensation	0.0	(6.3)	(6.3)
(12.9)	Non Service Specific Grants	(18.0)	(23.0)	(5.0)
<b>(1.5)</b>	<b>TOTAL</b>	<b>143.4</b>	<b>127.1</b>	<b>(16.3)</b>
4.5	Funding	(143.4)	(128.1)	15.3
<b>3.0</b>	<b>NET</b>	<b>0.0</b>	<b>(1.0)</b>	<b>(1.0)</b>

- 5.5 This table shows that the variance for the overall General Fund budget moved from an adverse variance of £3.0M at Period 8 to a positive variance of (£1.0M) by the end of the year. The key reasons for this improvement are that the Service Portfolios variance improved from £15.9M to £13.8M, Corporate Budgets improved due to contingency that was not required and additional grant funding that was received for COVID-19 support during the last four months of 2020/21. The funding line highlights primarily the variations between Collection Fund and General Fund as explained in Section 5.3. The headlines for the improved position for Service Portfolios are summarised in the table at Section 5.10 and further commentary is included in Sections 5.11 to 5.16.
- 5.6 Despite the challenges caused by the COVID-19 pandemic in 2020/21, the Council remains in a strong and financially resilient position. Through careful and prudent financial management, it has retained the ability to cope with any further unexpected challenges and is in a reasonably strong position to help support Southend's recovery in 2021/22.
- 5.7 Cabinet have received regular and detailed budget monitoring information throughout 2020/21, so most key variances in this unprecedented year have previously been well documented and reported.

- 5.8 This report summarises the major variances between the period 8 forecast and the final outturn for 2020/21. Given the size and complexity of the Council's operations and the volatility caused by COVID-19 there are several variations from the original approved plans across individual service areas. As part of the year-end arrangements, consideration has also been given to the need to review the level of provisions for insurance, transformation, specific service considerations, bad and doubtful debts and other challenges that arose during the year.
- 5.9 Comprehensive year-end reviews are also undertaken across all revenue projects that are supported by specific grant streams. If a project, for justifiable reasons, has not been completed in year, the value of any unspent grant is carried forward into the next year through the mechanism of earmarked reserves. The major change this year shows the impact of the balance of Section 31 grants for business rate reliefs.
- 5.10 The headline variances that have occurred between what was reported at Period 8 and the provisional final outturn are summarised and rounded to the nearest £0.1M in the following table:

	<b>£Ms</b>
Leader: Housing, ICT, Revenues & Benefits	(1.0)
Deputy Leader: Assets, Highways & Transport	1.8
Business, Culture and Tourism	0.3
Children and Learning	(1.1)
Community Safety and Customer Contact	0.0
Environment and Planning	0.4
Health and Adult Social Care	(2.5)
<b>Total Variance from Period 8</b>	<b>(2.1)</b>

### **Summary of Movements from the Period 8 Performance Monitoring Report**

#### **5.11 Leader: Housing, ICT, Revenues & Benefits [-1.0M]**

- 5.11.1 As a result of additional burdens placed upon us by the Department for Works and Pensions (DWP) and the administration of the Test and Trace Support Payments the benefits administration team have received additional Government funding of (£200k). National improvements in alert mechanisms have been introduced to highlight earlier when claimants fail to notify their local Councils of changes in their circumstances. This has led to a reduction in the level of overpayments and a saving of around £300k. Extra new burdens funding for our Revenues team has also been received of over £200K.
- 5.11.2 There has been a huge increase in demand for ICT support to facilitate remote working, access to safe secure systems and extra mobile devices during the pandemic. A combination of this and recruitment to the new structure, together with the requirement for knowledge transfer and dual running of some arrangements to ensure continuity of services has added extra costs of around £750K. Additional work on some major systems has also resulted in extra revenue costs of around £130k.

- 5.11.3 Additional COVID-19 Winter grant and other Government support has been used to enhance local support initiatives. A combination of this extra grant and strong overall management of staffing resources including vacancies, agency and interim staff and other non-critical spending, particularly within the Finance and Resources Directorate have contributed to deliver savings in 2020/21 of around £500k.
- 5.11.4 Our Southend 2050 ambition remains strong and will help to shape and focus our economic recovery efforts throughout 2021/22. The original intended programme for 2020/21 was clearly impacted by the pandemic which has resulted in an underspend of £160K.
- 5.11.5 Several corporate core elements have delivered savings including a lower level of contributions for non-fund benefits and added years to the Local Government Pension Scheme and lower spending than budgeted across the Council's senior management structures. The combined saving is circa £300k.

## **5.12 Deputy Leader: Assets, Highways & Transport [+1.8M]**

- 5.12.1 As reported throughout the year, both parking enforcement and pay and display income have fallen significantly throughout the pandemic due to the range of restrictions that have been put in place. Since the last report up to the end of November there has been a third national lockdown and this has further reduced income generated in these areas. Far fewer PCN's have been issued which has resulted in a £300k income reduction, and the closure of seafront car parks, along with the stay at home guidance increased the loss in parking income by an additional £630k by the financial year-end.
- 5.12.2 Additional staffing as part of the new highways restructure, alongside various feasibility studies and increased energy prices for street lighting has also resulted in additional pressure of around £200k.
- 5.12.3 The Council has supported its commercial tenants in accordance with the national guidance but there is the potential that the level of rental yield from our commercial property portfolio could be significantly affected as a direct result of the impact of the pandemic. To prepare for this possibility we have increased our bad debt provision by £340k to reflect the possibility of some businesses not making it through the period of national restrictions and therefore being unable to fulfil their rental obligations for 2020/21.
- 5.12.4 As the country went into a third national lockdown in the final quarter of the financial year, income generating opportunities once again reduced. Due to this the income shortfall for hiring the Tickfield Training Centre and Civic Offices increased by an additional £115k. School closures also resulted in a reduction in the services provided by the property team which has meant less income being generated. This has created a further pressure of circa £100k.

### **5.13 Business, Culture and Tourism [+0.3M]**

5.13.1 There have been a range of significant cost savings in libraries, especially within the Forum which has offset most of the Council's share of the abortive costs of the Forum 2 project. The residual pressure for this scheme is around £150k, which in accordance with accounting code of practice has now been charged to revenue in 2020/21.

### **5.14 Children and Learning [-1.1M]**

5.14.1 Children and Learning services are reporting a final provisional overspend of £3.6M in 2020/21. This excludes the £3M that was set aside in the Children Social Care reserve for 2020/21 (which was approved as part of the 2020/21 budget). A £4.7M overspend was previously reported at Period 8 (end of November 2020) so the final year end position represents a positive movement of (£1.1M) to the previously reported overspend. The main reasons for the decrease are that Looked After Children (LAC) numbers have continued to decline from 290 at the end of November 2020 to 280 at the end of March 2021 and some of the previous expectations of wider costs supporting children in need between January to March 2021 have not followed the same pattern as previous years.

### **5.15 Environment and Planning [+0.4M]**

5.15.1 It has always been expected that an increase in people staying and working from home would change the pattern of waste streams across the borough, with a significant shift from commercial to household waste due to increased home deliveries and time spent at home. Although an increased cost in waste disposal had been modelled and forecast, the entirety of this cost did not materialise and therefore the pressure from the forecast at Period 8 has reduced by around £150k.

5.15.2 There has been a requirement to bring in additional resources to deliver on a range of energy efficiency and climate change projects, most of which are partly funding by external grants. This, alongside the management of utility contracts and transfers to new suppliers under a framework agreement have increased the pressure in the service by an additional £240k.

5.15.3 The cost of disposing of the contaminated material originally retained for a future flood defence scheme took place in 2020/21 which resulted in a one-off additional cost of £630k.

5.15.4 There have also been a range of reductions within the waste portfolio due to contractor deductions, staffing vacancies, staff time charged to externally funded projects etc. This has contributed to a saving of around £180k.



## **5.16 Health and Adult Social Care [-2.5M]**

5.16.1 The impact of COVID-19 has been significant across all Council services, but the biggest impact and volatility has, unsurprisingly been within Health and Adult Social Care. Across our Adult Social Care operations there has been an improvement in staffing costs of around £270K. This has been achieved through the receipt of additional funding for employees recruited specifically to manage COVID-19 pressures whilst maintaining vacancy levels to mitigate against the reported overspend. Proactive management has minimised any impact on the service. The following areas have also materially changed since the forecasted position was reported at Period 8

5.16.2 Mental Health Service's financial position has deteriorated by £190K

This is within the range of fluctuation of placement numbers and is due to an increase in activity since last reported.

5.16.3 Learning Disabilities Service's financial position has improved by £540K

Whilst activity levels were in the region of expectations, the funding in support of these packages did not previously incorporate additional income from hospital discharges and the benefits from the reduction in the costs of the West Street Block Contract.

5.16.4 Older Peoples Service's financial position has improved by £1.47m

Previous forecasts did not fully model the reduction in activity due to a higher level of deaths than would have normally been expected and the forecast at Period 8 did not anticipate the increased level of reluctance to receive care due to COVID-19 concerns.

This has been further exacerbated from the second wave of the virus, which could not have been anticipated when the position was reported at Period 8. The level of funding received through Hospital Discharge Funding has also been higher than expected.

5.16.5 Physical Disabilities Service's financial position has improved by £130K

Whilst activity has remained constant throughout the year, the service received additional funding which resulted in an improved outturn position than was previously forecast and reported at Period 8.

## Recommended Appropriations to and (from) Earmarked Reserves

- 5.17 The following table and supporting commentary sets out the rationale and recommended appropriations to and (from) the Council's earmarked reserves for 2020/21. These proposed appropriations are subject to the approval of Cabinet, annotated as appropriate where the appropriation is materially different from what was originally planned.

Reserve	Opening Balance	Planned 'In-Year' Movement	Approved 'In-Year'	Proposed Final Appropriation	Closing Balance
	£000's	£000's	£000's	£000's	£000's
Capital Reserves	<b>26,664</b>	(961)	285	(203)	<b>25,785</b>
Corporate Reserves	<b>21,210</b>	(5,137)	916	9,101	<b>26,090</b>
Insurance Reserves	<b>5,963</b>	0	0	70	<b>6,033</b>
Service Reserves	<b>8,394</b>	(2,239)	(690)	7,199	<b>12,664</b>
Grant Reserves	<b>10,004</b>	(185)	(5,722)	21,260	<b>25,357</b>
	<b>72,235</b>	(8,522)	(5,211)	37,427	<b>95,929</b>

- 5.18 The planned 'In-Year' movement column is a summary of what was agreed as part of setting the Revenue Budget for 2020/21. The approved 'In-Year' column is a summary of the appropriations already approved during 2020/21.
- 5.19 The proposed final appropriation to our Corporate Reserves (£9.1M) includes the following; £2.0M to facilitate a comprehensive review and critical capability upgrade for our Business World Enterprise Resource Planning System, £1.3M to support the on-going negotiations for the 2021/22 national pay award, £1.0M to support our planned Service Redesign Reviews, £2.8M for technological transformation of our internal operations and investment into upgrading and enhancing the capability of our customer portal 'MySouthend', £0.5M to create a new Climate Change/Green Initiatives Reserve, £1M to top-up our existing Business Rates Retention Reserve to help to smooth out any potential future fluctuations between Collection Fund and General Fund and finally a £0.5M top-up to our local COVID-19 Recovery and Response Reserve.
- 5.20 A major part of the proposed final appropriations column for Service Reserves (£7.2M) includes £5.5M which is a specific reserve for future Health and Social Care system transformation ambitions, this has been funded by our Health partners. We are also proposing to create reserves of £0.340M for Southend Adult & Community College to support the direct impact of COVID-19 on the College and £1.085M to support our Passenger Transport Joint Venture.
- 5.21 The proposed final appropriation for Grant Reserves (£21.2M) includes £11.9M of Section 31 Grant for Business Rates as highlighted in Section 5.3 of this report, £3.0M Control Outbreak Management Fund (COMF), £3.2M Dedicated Schools Grant (DSG), £1.7M Public Health Grant, £0.3M for Self-Isolation Grants and several other smaller value specific grants for a range of initiatives totalling £1.1M.

- 5.22 The net overall impact of these proposed appropriations is to increase the total reserves held by Southend Borough Council to £95.929M. To establish a 'like for like' comparison with our starting reserves position for 2020/21 – we need to exclude the new requirements for grant reserves due to the impact of COVID-19 and the £5.5M Health and Social Care Reserve. This effectively means that our overall reserves position has still improved. To end such a turbulent year with a higher level of reserves than the Council started the year is a testament to both the financial resilience and strong effective management of the Council's overall level of resources.
- 5.23 This position demonstrates the financial strength and resilience of the Council and places it in a robust position to continue to navigate the ongoing challenges of recovery from the pandemic and to help to cope with increases in demand and complexity for critical services in the future.

### **Implications for the 2021/22 budget and Medium Term Financial Strategy**

- 5.24 A considerable amount of analysis and financial planning was undertaken prior to the pandemic. This provided a useful platform to build from but the impact and uncertainty that the pandemic has caused is very difficult to evaluate and assess across the medium to longer term. Prior to COVID-19 Southend-on-Sea was already having to respond to some high value social care demand trends. This scenario was replicated in many upper tier authorities right across the country. These pressures had been recognised locally and attempts were made to address some of these issues by increasing the revenue base of these services for 2021/22 and as part of the Medium Term Financial Strategy.
- 5.25 Obvious concerns remain on the potential for currently hidden demand to surface post the pandemic and further challenges will come to light as we collectively get to grips with what 'post COVID-19' looks like and the return to normality and recovery. We are determined to try to support our communities and local economy to come back stronger and more resilient.
- 5.26 Even in these unprecedented circumstances Directors and all services are aware that it is vital to adhere to the approved level of all budgets. The operating climate, particularly in social care is incredibly challenging though and that is why it is so important to have a clear understanding of all the cost drivers within the budget. Financial management and monitoring are also key to highlighting any issues as early as possible and the introduction of the new 'Getting to know your business' programme will provide enhanced support and advice to service managers. Our new approach encourages consideration over the medium term, so not only trying to achieve a balanced outturn in the current year but also to avoid putting further pressure on budget plans for future years.
- 5.27 Critical to this approach is to understand pressures inherited from the previous year. These could manifest themselves by way of continued increases in demand and costs, reduced income activity, undelivered planned savings, or new issues emerging from COVID-19. Detailed analysis has therefore been undertaken to provide more insight into the key messages contained in the 2020/21 outturn and to estimate the potential ongoing impact into 2021/22 and our Medium Term Financial Strategy.

5.28 In keeping with many councils across the country there are several areas of spending pressure that will require proactive management. The areas that clearly will have a major impact in 2021/22 and beyond for Southend-on-Sea are Children's Social Care, Adult's Social Care and Highways and Transport.

### **5.29 Leader: Housing, ICT, Revenues & Benefits**

5.29.1 As our transition to a cloud-based infrastructure continues, there will be a shift from on-site capital expenditure, to a more revenue based ICT solution as the physical estate reduces. Working in conjunction with ICT, discussions continue to scope this transition and the financial implications of doing so as well as the longer term financial and operational benefits that will be secured. This transformation will be supported by the proposed creation of a technological reserve.

5.29.2 There is a risk that the savings in the ICT portfolio as part of the 2021/22 budget will come under pressure this year whilst work continues to assess the current ICT estate, systems capability and demands for changing future ways of working.

### **5.30 Deputy Leader: Assets, Highways & Transport**

5.30.1 The financial impact of COVID-19 on the income collected from the parking service has been significant. As restrictions start to ease and our car parks return to more consistent usage so too will the income received from 'pay & display' and via parking enforcement. A return to pre-COVID-19 activity levels will not be instantaneous and therefore there will be some element of risk regarding the income received from parking services in 2021/22. The Southend Pass initiative has started positively but will be kept under review throughout 2021/22.

5.30.2 The new Civil Engineering and Highways structure is partly funded by the capital programme. With significant investment planned in the highway's infrastructure, it is imperative that staff costs are also capitalised where appropriate. Close attention will be paid to this eligibility transfer between revenue and capital throughout the year. This will also provide a barometer on the successful delivery of the capital programme ambitions.

### **5.31 Business, Culture and Tourism**

5.31.1 A key consideration will be the accessing, securing and effective implementation of support to our local leisure and theatre contractors as, hopefully, they become fully operational during 2021/22. The response and uptake to these facilities as restrictions are fully lifted will be monitored and any financial, operational or viability risks will be identified and assessed.

## **5.32 Children & Learning**

- 5.32.1 The main contributory factors for the £3.6M overspend have been reported previously and is primarily due to a sustained increase in the numbers of children requiring external care provision running at 98 ongoing placements as at 31<sup>st</sup> March 2021, despite overall Looked After Children (LAC) numbers decreasing. This has been combined with an external care market where costs are continually increasing due to the overall national demand for extra placements. This situation is being experienced in most other upper tier local authorities across the country and remains a significant risk for the Council.
- 5.32.2 The opening financial spend pressures into 2021/22 are expected to remain, but this has been mitigated to some degree by an extra £1.5M permanent investment that has been approved and included within the Children Social Care revenue base budget for 2021/22, a further £2.5M one off specific Children Social Care reserve provision has been put created to call on as a last resort, if needed.
- 5.32.3 Positively for the financial position during 2020/21 and as at April 2021, the steady decline in LAC numbers has continued. If overall LAC numbers sustain this decrease and safe alternatives to external care provision can be found, then this will have a positive impact on reducing spending pressures in 2021/22.

## **5.33 Environment and Planning**

- 5.33.1 It is widely anticipated that one legacy of the pandemic will be a continued increase in the number of days people work from home. This should bring environmental benefits to the town due to reduced commuting, however increased time working from home will result in increased household waste. It is anticipated that this increased tonnage level will continue into 2021/22 and the future, which will bring additional financial pressure to the Council.
- 5.33.2 The residual impact of storm damage to our sea defences is likely to require remedial works in 2021/22 and this exceptional event is not currently provided for. Some of this work may need to be considered as part of the capital programme but it is expected that there will also be increased maintenance work along our shoreline this year, which will add additional revenue pressure.
- 5.33.3 Although outdoor sports have currently resumed, there is still a potential risk of additional outbreaks of COVID-19, or variants, which could reduce the opportunities for sports and recreation which would have a negative impact on a range of income streams.

## **5.34 Health and Adult Social Care**

- 5.34.1 The final outturn position for the Adults Social Care Budget is a £0.3m overspend, compared to the Period 8 forecast position of £2.47m overspend.

- 5.34.2 The challenges in Adult Social Care have been well documented and reported throughout 2020/21. The pressures that will continue into 2021/22 and where mitigation is currently being deployed starts with a review of the staffing establishment and the value of consultancy/agency spend within services.
- 5.34.3 It is envisaged that pressures on the Learning Disabilities budget will remain. Older People's demand is also likely to increase as reticence over receiving care support recedes, but it is unclear at what pace, owing to the unique situation that COVID-19 has created. Given the uncertainty of trends likely to materialise in 2021/22 it is key that modelling of activity is robust. Work is being undertaken to ensure that this is the case. There is an increasing incidence of case complexity, positively longevity of life span and the upward pressure of transitions from Children's Services. This is not a new position that has arisen in this financial year, but a build-up in demand over several years.
- 5.34.4 There is a concern over potentially hidden demand particularly in areas such as Mental Health which has consistently been forecast as overspending throughout the year. This is likely to continue going forward.
- 5.34.5 There has been very good close working with the Health Service and funding has been provided for those clients who have needed care upon discharge from hospital. This extra funding that was provided to the NHS for this purpose substantially mitigated the financial impact that would have fallen on the Council otherwise. The arrangements for 2021/22 are under review and consideration.
- 5.34.6 The service has several approved savings proposals in the Medium Term Financial Strategy and work is in an advanced stage to ensure that these are implemented and delivered.

### **Overall Future Mitigation Strategy**

- 5.35 The range of highlighted issues provide an indication of the potential financial pressures and uncertainty facing services at the start of the new financial year. It is too early to evaluate all these potential challenges with a lot of confidence at this stage. Directors are aware that they have a duty to work within the budget envelope provided, and therefore must make every effort to contain these pressures through in-year management action, and to try to continue to deliver better outcomes and better value for money from within their approved budget allocations.
- 5.36 In setting the 2021/22 budget, £2M was set aside within the corporate contingency budget, in recognition of the range of pressures, together with a further £1M for inflation. There is no suggestion that these sums should be used immediately to meet any estimated in-year budget pressures, but it remains a useful safety net.

- 5.37 The Council also holds a range of earmarked reserves specifically against some of the risks associated with the identified spending pressures. Careful consideration will be given to reviewing our complete portfolio of earmarked reserves to see if a further review and re-allocation is required to better reflect the potential risks highlighted by the 2020/21 outturn. Use of any reserves are by their very nature only a one-off mitigation and approval will be requested if required from Cabinet.
- 5.38 The challenge of designing and implementing potential mitigating strategies for 2021/22 and the future has been made far more complex due to the impact and uncertainty caused by COVID-19. A better picture on potential options and an update on the financial performance against the approved budget for 2021/22 will be available as a comprehensive Period 4 monitoring report at Cabinet in September 2021. We may then also have a better indication from Central Government about future funding arrangements. It is unclear at this stage whether the Local Government Sector will be issued with a single 1-year financial settlement for 2022/23 or if a Comprehensive Spending Review for the next three years will be launched. The Council remains in a relatively strong financial position for 2021/22 but the potential challenges for the future could be very significant – depending on the future funding and policy decisions taken by Central Government.

## 6 2020/21 Housing Revenue Account Outturn

6.1 The following table summarises the outturn for the Housing Revenue Account and the consequential use of balances for 2020/21.

	<b>Original Budget £000</b>	<b>Revised Budget £000</b>	<b>Forecast Period 8 £000</b>	<b>Actual £000</b>
Employees	206	206	206	206
Premises (excluding repairs)	795	795	795	823
Repairs	5,657	5,657	5,657	5,132
Supplies and Services	96	96	96	117
Management Fee	6,114	6,114	6,232	6,232
Internal Recharges and Overheads	1,249	1,301	1,301	1,299
Provision for Bad Debts	455	455	705	326
Depreciation, Impairment etc	5,365	5,365	5,365	6,150
Interest Charges	3,375	3,375	3,215	3,224
Debt Management	25	25	25	31
<b>Total Expenditure</b>	<b>23,335</b>	<b>23,389</b>	<b>23,597</b>	<b>23,540</b>
Fees and Charges	(339)	(339)	(339)	(385)
Dwelling Rents	(25,848)	(25,848)	(26,685)	(26,138)
Other Rents	(1,481)	(1,481)	(1,481)	(1,391)
Contribution from Leaseholders	0	0	0	(204)
Interest	(430)	(430)	(430)	(150)
Recharged to Capital	(424)	(501)	(424)	(465)
<b>Total Income</b>	<b>(28,522)</b>	<b>(28,522)</b>	<b>(29,359)</b>	<b>(28,734)</b>
<b>Net Operating Income</b>	<b>(5,186)</b>	<b>(5,133)</b>	<b>(5,762)</b>	<b>(5,194)</b>
Statutory Mitigations on Capital Financing	0	0	0	204
Revenue Contribution to Capital	8,708	8,708	8,708	2,223
Appropriation to Earmarked Reserves	(3,522)	(3,575)	(3,575)	(2,223)
<b>Surplus</b>	<b>0</b>	<b>0</b>	<b>(629)</b>	<b>(4,990)</b>

6.2 The previous table shows that the HRA has performed strongly in 2020/21, given the challenges of COVID-19. An in-year surplus of £4.990M is being declared, principally generated through a major reduction in the planned level of revenue contribution to the Capital Programme.

6.3 There have been a few minor variances on individual budget lines. Positive variances include additional rental income coupled with additional fees and charges.



- 6.4 At the beginning of 2020/21 there was a major concern around the impact of COVID-19 on collection levels and potential difficulties for tenants paying their rent and service charges due to changing circumstances, directly caused by the pandemic. This was anticipated to be a £0.705M pressure, nearly double what was anticipated in the budget. Positively, proactive working with tenants by South Essex Homes has mitigated these concerns, the increase in provision for bad debts for 2020/21 was revised down £0.326M.
- 6.5 The report to Cabinet in January 2020 (prior to COVID-19) included an ambitious affordable housing acquisitions programme, with a planned revenue contribution of £8.708M. This required £5.186M of the planned surplus, as well as £3.522M to be drawn down from the capital investment reserve to fund this level of acquisitions. Due to the direct impact of COVID-19, it has not been possible to deliver that size of capital programme. The final funding requirement for 2020/21 was £2.223M. These ambitious plans will look to be accelerated again in 2021/22.
- 6.6 The general reserve for the HRA is considered to be at an appropriate level so an appropriation of the surplus to HRA earmarked reserves is proposed to enable further investment to be made in the Council's housing stock, creating better conditions and environments for local tenants.
- 6.7 The following table summarises all the appropriations for the HRA in 2020/21 and Cabinet is requested to approve the final appropriation to the Capital Investment Reserve of £4.990M.

HRA Reserve	Original Plan £000	Approved Period 8 £000	Proposed Final Appropriation £000	Total £000
Repairs Contract Pensions Reserve	60	0	0	60
Capital Investment Reserve	(3,582)	(52)	11,475	7,841
Major Repairs Reserve (Revenue)	0	0	0	0
<b>Sub-Total</b>	<b>(3,522)</b>	<b>(52)</b>	<b>11,475</b>	<b>7,901</b>
Revenue contributions to capital	8,708	0	(6,485)	2,223
<b>Grand Total</b>	<b>5,186</b>	<b>(52)</b>	<b>4,990</b>	<b>10,124</b>

## 7 2020/21 Capital Outturn

### Overview

- 7.1 Throughout the 2020/21 financial year the capital investment programme has been subjected to robust monitoring and challenge to ensure delivery and alignment with the Southend 2050 ambition and desired outcomes. As a result of this monitoring, revisions were made during the year to the capital investment programme budgets with the agreement of Cabinet. The last revision approved by Council on 25 February 2021.
- 7.2 The changes are summarised in the table below.

	£000
<b>Original Budget 20 February 2020 Council</b>	<b>108,996</b>
June Cabinet adjustment of carry forwards into later years	(14,258)
Accelerated Delivery of 19/20 schemes	(2,528)
Re-profiles, New External funding and other adjustments agreed at 16 June Cabinet	3,719
Re-profiles, New External funding and other adjustments agreed at 15 September Cabinet	(3,761)
Re-profiles, New External funding and other adjustments agreed at 3 November Cabinet	(29,893)
Re-profiles, New External funding and amendments agreed at 16 February Cabinet	9,661
<b>Revised Capital Programme 25 February 2021 Council</b>	<b>71,936</b>

Brackets indicate a reduction in budget.

- 7.3 The COVID-19 pandemic has impacted on the capital investment programme delivery for 2020/21 in various ways. Some schemes have been delayed due to restricted availability of materials and labour and supply chain disruption. Other schemes were delayed due to access restrictions or the requirements for socially distanced working. The Forum II project became no longer viable and was removed from the capital investment programme. However, for some property refurbishment schemes there has been accelerated delivery as works to the properties could be undertaken more easily due to the lockdown closures.
- 7.4 The summary on the next page shows the 2020/21 actual spend against budget for the different types of investment.

<b>Scheme by area of investment</b>	<b>Revised Budget £000</b>	<b>Actual £000</b>	<b>Variance £000</b>	<b>% Spent</b>	<b>Notes on delivery (see paragraphs 7.9 to 7.18 for the outcomes achieved)</b>
General Fund Housing	438	559	121	127.6	More disabled facility grants delivered in 20/21 than anticipated given the pandemic – requesting to accelerated delivery of 2021/22 budget.
Social Care	5,819	5,968	149	102.6	Multi-year projects including Delaware and Priory New Build – see paragraph 7.9.
Schools	5,082	4,867	(215)	95.8	Progress with the schools condition projects impacted by the pandemic – see paragraph 7.10.
Enterprise & Regeneration	14,991	14,624	(367)	97.6	Multi-year projects including the Airport Business Park scheme – see paragraph 7.11.
Southend Pier	4,200	3,958	(242)	73.5	£176k on Pier Pavilion Bar Conversion to be carried forward for completion in 21/22 – see paragraph 7.12.
Culture & Tourism	2,286	1,681	(605)	85.3	Multi-year schemes including the Cart and Wagon Shed – see paragraph 7.13
Community Safety	410	198	(212)	48.3	Multi-year schemes including the CCTV equipment renewal – see paragraph 7.14
Highways and Infrastructure	14,951	16,748	1,797	112.0	Multi-year schemes at various stages of completion – see paragraph 7.15. £1,793k included as a net of carry forward, accelerated delivery requests and other budget adjustments.
Works to Property	2,222	2,931	709	131.9	Property Refurbishment Programme works completed ahead of schedule – see paragraph 7.16.
Energy Saving Projects	333	13	(320)	3.9	Schemes being reviewed and will continue in 2021/22 and future years.
ICT Schemes	5,247	3,908	(1,339)	74.5	Multi-year schemes at various stages of completion – £1,329k included as a carry forward request. See paragraph 7.17
Section 106 / Section 38 / CIL	170	63	(107)	37.1	Multi-year planning and highways agreements at various stages of completion – £109k included as a net of carry forward and accelerated delivery requests.
Council House Refurbishment	7,518	6,561	(957)	87.3	The Decent Homes programme and disabled adaptations are multi-year schemes which underspent against budget due to the pandemic. See paragraph 7.18.
Council Housing New Build Programme	499	137	(362)	27.5	Early stages of several build phases, with budgets to be carried forward – see paragraph 7.18. Carry forward requests have been included.
Council Housing Acquisitions Programme	7,770	3,869	(3,901)	49.8	The volume of acquisitions have been hampered by the pandemic - see paragraph 7.18. Carry forward requests have been included.
<b>Total</b>	<b>71,936</b>	<b>66,085</b>	<b>(5,851)</b>	<b>91.9</b>	

Brackets indicate an underspend against budget.

7.5 The outturn across strategic and other schemes is as follows:

	<b>Revised Budget £000</b>	<b>Actual £000</b>	<b>Variance £000</b>	<b>% Spent</b>
<b>Strategic schemes</b>				
Airport Business Park	2,200	1,618	(582)	73.5
Better Queensway	1,891	2,360	469	124.8
Victoria Centre	10,900	10,638	(262)	97.6
Delaware and Priory New Build	4,699	5,149	450	109.6
School Improvement and Provision of School Places	3,689	3,729	40	101.1
Southend Pier schemes	4,200	3,958	(242)	94.2
ICT Schemes	5,247	3,908	(1,339)	74.5
Footways and Carriageways	3,369	3,448	79	102.3
Parking Schemes	1,262	1,140	(122)	90.3
Highways and Infrastructure – Local Growth Fund and Local Transport Plan Schemes	9,254	10,988	1,734	118.7
HRA – Decent Homes Programme	7,259	6,425	(834)	88.5
HRA – Construction of New Housing	499	137	(362)	27.5
HRA – Housing Acquisitions Programme	7,770	3,869	(3,901)	49.8
<b>Total Strategic Schemes</b>	<b>62,239</b>	<b>57,367</b>	<b>(4,872)</b>	<b>92.2</b>
<b>Other schemes</b>	<b>9,697</b>	<b>8,718</b>	<b>(979)</b>	<b>89.9</b>
<b>Total</b>	<b>71,936</b>	<b>66,085</b>	<b>(5,851)</b>	<b>91.9</b>

7.6 Best practice and normal accounting convention require that the approved Capital Investment Programme includes budgets for all potential capital expenditure. Therefore, the programme contains budgets for schemes such as Section 106 funding where expenditure is contingent on a condition being met, grants that are paid to the Council in full are drawn down over time and schemes managed in partnership or by other bodies, e.g., schools.

7.7 The outturn for 2020/21 shows a final spend position of £66.085m against a revised budget of £71.936m, which is an 91.9% outturn position.

7.8 The capital investment in the year contributed to the delivery of the desired outcomes identified as part of the Southend 2050 ambition. The key themes and outcomes are shown in the following sections:

## Investment Areas

### 7.9 Social Care

Under the theme Safe and Well 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.

A major investment is for the re-development of the Delaware and Priory Residential Care homes and the Viking Day Centre. It is a 60 bedded unit which has been designed to be agile and adaptive by initially creating an environment of 45 beds where people can undergo an intense period of assessment and reablement with a view to them returning home, not remaining in long term care. A modern and adaptive space which will be used to support people with profound learning disabilities to lead fulfilling lives. In the first instance, a proportion of the unit (15 beds) will continue to support some of the most complex and challenging older people suffering with dementia. An environment aligned to the Southend 2050 vision and locality approach. The Locality Approach focuses on supporting people to remain in their own home surrounded by their family, friends, and other assets for as long as possible.

Construction of the new care home is progressing on site with the build watertight as of May 2021 and practical completion expected in autumn 2021. A client fit out period will then commence with first residents expected to move into the building in early 2022. The existing Priory Care Home will then be demolished prior to final landscaping works being completed.

### 7.10 Schools

Under the theme Opportunity and Prosperity investment in this area contributes to the desired outcome that our children are school and life ready and young people are ready for further education, training, or employment.

The schools capital investment programme continues to be dominated by the need to provide more school places to cope with the current high pupil numbers, as the demand continues to move from the primary sector to the secondary schools. Expenditure on the education capital programme for 2020/21 was £4.9m. Of this, £3.7m was spent on the provision of new secondary school places and £0.7m on the extension of Prince Avenue Nursery.

The programme to expand secondary schools is now entering its fifth year. It is a multi-year programme that started in 2016/17. There was a spend of £5.8m in 2017/18, £13.5m in 2018/19, £9.3m in 2019/20 and £3.7m in 2020/21. This programme will continue into 2021/22 and when completed will see an additional 1,100 permanent places for year seven to year eleven pupils across the non-selective sector.

£0.2m was spent on condition works within the maintained primary schools and Children's Centres. These covered larger high cost repairs and replacements projects on roofs, curtain walling and boilers that are beyond the

budget of the individual settings. In addition, £101k was devolved as formula capital to the maintained schools to manage their own smaller capital works.

Much of the schools capital programme scheme involves multi-year projects. Net budget carry forward and accelerated delivery requests of £0.2m have been put forward as part of this report

#### 7.11 Enterprise and Regeneration

Under the theme Opportunity and Prosperity investment in this area contributes to the desired outcome that key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bring prosperity and job opportunities to the borough.

A major investment is for the Airport Business Park, which is 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. £1.5m of investment has been made in enabling works and construction during 2020/21 towards this outcome. The main project construction is complete with the project continuing into 2021/22 and 2022/23 for the completion of the cycleways and construction of the Launchpad.

Capital investment of £0.9m was also made 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 Council also invested £10.6m in purchasing the Victoria shopping centre as a strategic acquisition on the High Street and for the future regeneration benefits it offers through its proximity to Better Queensway.

#### 7.12 Southend Pier

In the last Residents' Survey residents were asked what they most like about living in this area. The beach/seaside was the top response. A key element of this is Southend's historic pleasure pier, the longest in the world. In recognition of this, capital investment of £4.0m had been made in the pier, including £1.8m on bearing refurbishment and condition works. The pier had 137,000 visitors in 2020/21 which is lower than the average of 350,000 over the last three years. The pier had to close for various periods due to Government advice regarding the COVID-19 outbreak and was open for less than half the year in total. Even when the pier could re-open there was a need to have social distancing measures in place which limited the numbers.

£1.9m was invested in the purchase of new electric pier trains with the build progressing well and delivery expected in time for the summer season.

Investment in the Pier Pavilion bar conversion started with quantity surveying works and structural and civil engineering consultancy being undertaken. Works will continue into 2021/22 to enhance and improve the visitor offer.

#### 7.13 Culture and Tourism

Under the theme Pride and Joy investment in this area contributes to the desired outcome that the variety and quality of our outstanding cultural and leisure offer has increased for our residents and visitors and we have become the region's first choice coastal tourism destination.

Under the theme Safe and Well investment in this area contributes to the desired outcome that Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives.

Under the theme Active and Involved investment in this area contributes to the desired outcome that more people have physically active lifestyles, including through the use of open spaces.

Under the theme Opportunity and Prosperity investment in this area contributes to the desired outcome that key regeneration schemes such as seafront developments are underway and bringing prosperity and job opportunities to the borough.

In the Residents' Survey, parks and open spaces were an important aspect for residents. The town has many parks, gardens and nature reserves offering a range of facilities including sports pitches/courts, children's playgrounds, skateboarding, cafés, boating lakes, fishing lakes and wildlife areas. In recognition of this, capital investment of £0.3m has been made in the town's parks and open spaces during 2020/21. Investment of £0.7m has also been made in the Cart and Wagon Shed at Shoebury Common for the coastal community team to use as part of their community interest company.

#### 7.14 Community Safety

As part of the survey residents were also asked how safe or unsafe they felt when outside in their local area. 7% of residents said they felt unsafe during the day but 40% of residents said they felt unsafe after dark, with perceptions varying by locality. In response to this, capital investment of £0.2m has been made during 2020/21 for community safety, including the installation of CCTV equipment and other security measures. This was the start of a wider investment into these areas in 2021/22

#### 7.15 Highways and Infrastructure

The Residents' Survey also asked what they most disliked about living in this area. The quality of the roads and pavements was one of the top areas of concern and in response to this, capital investment of £3.4m in improvements to the town's highway and footpath network has been made during 2020/21, including repairing potholes and resurfacing of Zebra Crossings. 59,974 m<sup>2</sup> of carriageway were resurfaced and 7,607 m<sup>2</sup> of footways were improved during the financial year.

Investment of £6.3m was made in improvements to the A127 Growth Corridor, to the Bell Junction and on A127 essential maintenance works. A further £1.5m was invested in improvements to footways around London Road/Victoria Circus.

Investment of £3.2m was made via Local Transport Plan grant funded schemes including road maintenance, street lighting, bridge strengthening, junction improvements, footway improvements, bus stop infrastructure upgrades and electronic charging points.

The availability of parking and the amount of traffic congestion were other key areas of concern and in response to this, capital investment of £1.1m has been made during 2020/21 for improvements and major works to the town's car parks. These included refurbishments of the Gas Works car park and Southchurch Car Park and new signage relating to the Southend Pass initiative.

#### 7.16 Works to Property

Major investment of £1.3m on property refurbishment and £0.3m on fire improvement works were made to ensure the Council's operational buildings remain safe, in good condition and meet current standards.

#### 7.17 ICT

Investment of £3.9m has been made in the Council's ICT infrastructure to support the response to COVID-19 with remote working services and to respond to critical issues and risks that have been identified by ongoing discovery exercises.

This investment includes:

- Technology Device Refresh – to provide the ability for staff to work remotely with new laptops and the ability to support them remotely.
- Application Transformation – migration of applications to a stable environment to permit access for the new laptops and to mitigate technical risks.
- Digital Enablement – setting up the foundations for transformation into a Smart City.
- Security and Resiliency – implementing the fundamental security capabilities to protect remote working.
- Stabilise the Estate – remediation work to ensure the technology foundations are robust to support the new ways of working.

This investment will continue into 2021/22 with future years operational requirements currently being assessed and considered.

#### 7.18 Council Housing and New Build Programme

Under the theme Safe and Well 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.



Investment of £6.6m was made during 2020/21 in the refurbishment of the borough's Council Housing, mainly via the Decent Homes programme. This included 62 kitchen and 13 bathroom modernisations, together with improvements to the common areas and environmental health and safety works.

Investment of £3.5m was made during 2020/21 for the acquisition of 19 dwellings, 14 for affordable housing and 5 under the Next Steps Accommodation Programme which aims to provide both permanent and supported accommodation for rough sleepers. Both acquisition programmes have been delayed due to the pandemic but during 2020/21 valuations were completed on 55 properties for the affordable housing acquisitions programme and 11 properties for the Next Steps Accommodation Programme and these will complete during 2021/22. Both programmes will continue in 2021/22 with more suitable properties being purchased as they become available.

Spend on the construction of new Council Housing was limited in 2020/21 due to the pandemic but work was completed on surveying, architecture designs, planning and utility mapping. More significant investment is planned for 2021/22 to 2023/24 as contractors get on site. Phase 3 is to deliver circa 29 units of Council housing across five underutilised garage sites and surrounding land in Shoeburyness and is due for completion and handover in March 2023. Phase 4 is to deliver circa 9-12 units of Council housing at the North site within the Council owned Lundy Close housing estate and is due for completion and handover in July 2023. There are also Modern Methods of Construction pilots for off-site delivery methods at Archer Avenue and Saxon Gardens which are due for completion and handover in May 2022.

### **Revised capital investment programme**

- 7.19 A range of schemes have been identified that are funded from external contributions and grants. These have been included in the capital investment programme but there is flexibility in when these schemes are delivered either by the funder determining when it is appropriate or the Council matching delivery to available resources.
- 7.20 In total there are a number of schemes with unspent budgets in 2020/21 where the budget is needed in 2021/22 in order to complete the schemes. These schemes have started and/or are fully committed to but due to various factors have not completed or reached the anticipated stage by the 31 March 2021. These budget commitments total £11.990m and are summarised in Appendix 2.
- 7.21 In addition, some schemes have exceeded their 2020/21 budget allocation. The two causes of this are unforeseen costs being incurred or schemes spending ahead of profile in order to accelerate delivery, i.e. multi-year schemes being delivered earlier or preliminary works starting on 2021/22 schemes to ensure their prompt completion. The sum of this accelerated delivery totals £5.830m and is analysed in Appendix 2.

7.22 Schemes that have exceeded their 2020/21 budget allocation will be financed by compensatory under spending on other schemes. The amended budget for 2020/21 after carry-forward, accelerated delivery requests and budget adjustments have been taken into account is £65.998m.

7.23 An amended Capital Investment Programme reflecting all the changes above is attached at Appendix 3 and is summarised below:

**Amended Capital Investment Programme to be delivered by the Council:**

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Strategic Schemes	57.7	33.4	9.7	6.3	4.0	111.1
Other Schemes	19.9	9.3	5.1	2.9	3.2	40.4
<b>Total</b>	<b>77.6</b>	<b>42.7</b>	<b>14.8</b>	<b>9.2</b>	<b>7.2</b>	<b>151.5</b>

**Amended Capital Investment Programme to be delivered by South Essex Homes Limited and Porters Place Southend-on-Sea LLP:**

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
South Essex Homes Limited	10.4	8.2	6.8	7.1	0	32.5
Porters Place Southend-on-Sea LLP	6.4	9.5	9.5	3.3	3.3	32.0
<b>Total</b>	<b>16.8</b>	<b>17.7</b>	<b>16.3</b>	<b>10.4</b>	<b>3.3</b>	<b>64.5</b>

7.24 Given the Council's finite capacity to deliver capital schemes, officers have conducted a preliminary review of the programme but particularly concentrating on the financial year 2021/22. This review has concentrated on the key strategic schemes ability to deliver in the new environment and taking into consideration the position on external funding aligned to those schemes.

7.25 The capital investment programme is subject to continuous review and re-prioritisation to ensure resources are aligned to the Council's Southend 2050 and recovery priorities. In line with this and in light of the potential future capital budgetary requirements, the programme will be subject to a more fundamental review over the course of the financial year.

7.26 Progress of schemes will be re-assessed and some schemes may be removed from the main programme entirely and others held as 'subject to viable delivery plans' until it can be demonstrated that there is the capacity and resources to deliver them in the timescales indicated. Schemes can then be brought back into the main programme as and when it is appropriate to do so. This approach follows the current approach introduced two years ago when schemes can enter the programme during the financial year and not just annually at budget setting.

- 7.27 As this review progresses via challenge meetings and the Investment Board, re-profiles and other adjustments to the programme for 2021/22 and future years will be put forward for approval.

### **Financing of the Capital Investment Programme**

- 7.28 The capital investment programme is fully financed. When the budget is set, estimates are made on the likely levels of capital receipt, grant that will be received during the year, the likely level of borrowing required as well as the proposed level of expenditure. As the actual expenditure differs from the proposed budget, the associated financing needs to be amended also to reflect this.
- 7.29 The capital expenditure in 2020/21 is financed as follows:

	<b>2020/21 Actual (£m)</b>
<b>Total Capital Expenditure</b>	<b>66.085</b>
<b>Financed by:</b>	
<b>Borrowing</b>	<b>18.759</b>
<b>Invest to Save Financing</b>	<b>15.262</b>
<b>Capital Receipts</b>	<b>3.466</b>
<b>Capital Grants Utilised</b>	<b>18.443</b>
<b>Major Repairs Reserve</b>	<b>6.221</b>
<b>Other Revenue/ Capital Reserve Contributions</b>	<b>2.426</b>
<b>Third Party Contributions</b>	<b>1.508</b>
<b>Total Financing</b>	<b>66.085</b>

### **Other changes to the budget for 2020/21 onwards**

- 7.30 Since the approved capital investment programme was set at Council on 25 February 2021, there have been some changes to the capital budget. They are not significant in number but are required to provide a continually updated programme to enhance the delivery of schemes and are therefore detailed in Appendix 2. These changes are reflected in the amended Capital Investment Programme attached at Appendix 3.
- 7.31 Removal of budgets no longer required is requested for schemes such as the Phases 3 and 4 of the Housing Construction scheme where the schemes have been updated. Whilst there is an increase in the number of units for phase 3 from 25 to 29 there was a decrease for phase 4 from 31 to 9-12 units. The overall effect is a decrease in the level of capital budget required for these schemes.

- 7.32 All of these changes have been reflected in the revised capital investment programme at Appendix 3.

### **Capital Scheme Additions**

- 7.33 Despite the challenges to the delivery of the capital investment programme caused by the global pandemic, the Council's ambition to deliver better outcomes is not diminished. In line with the approach where schemes can enter the programme during the financial year and not just annually at budget setting, there are a number of priority projects that are being recommended for inclusion into the capital investment programme. The following scheme is the first of these:

#### High Street Bollards

- 7.34 The project aims to provide enhanced security measures to Southend High Street by installing an automatic bollards system to replace the existing system. A new budget is required to take this scheme forwards totalling £1,020,000 in 2021/22. The project will also require a maintenance contract to be in place which will have an annual revenue cost of £16,200. This will be met within existing budgets this year and incorporated into the 2022/23 budget.

#### Priority Works

- 7.35 During the demolition of the former Futures school buildings it became apparent that the amount of asbestos present in the structure was very significantly greater than identified in the asbestos survey. This has led to project delays and increased costs. An additional £464,000 was required as an urgent budget transfer from the 2021/22 Priority Works budget under the delegated authority of the Executive Director (Finance and Resources). An amendment to the overall budget is being put forward as part of this report to replenish the Priority Works budget for 2021/22 so that it is available for such works in the normal course of events.

### **Scheme moved from the 'subject to' section to the main programme**

#### Footways and Carriageways Improvements

- 7.36 At February Cabinet £29m was included in the 'subject to viable business case' section of the capital investment programme, £5m of which related to 2021/22. This amount is being brought up into the main programme to add to the £5m already in the approved programme. This results in a combined budget of £10m for 2021/22, £6m for improvements to footways and £4m for improvements to carriageways. This level of investment can achieve circa 50 carriageways improvement schemes and circa 60 to 70 footway improvement schemes. However, the actual number of schemes completed will depend on the mix of major/minor routes and any changes in costs throughout the year.

#### ICT operational requirement

- 7.37 This relates to the requirement to procure the Microsoft Enterprise Agreement Licencing before the renewal date to ensure the continuation of capabilities and

functionalities the Council requires to operate. The procurement process was conducted via the Council's electronic Tender Facility ProContract. Three submissions were received and these were evaluated in line with the published minimum requirements and methodologies. The resulting budget requirement over the next three years is £2,590,000. There is already £500,000 in the approve capital investment programme, so budget of £2,090,000 has been moved from the 'subject to viable business case' section up into the main programme.

#### Better Queensway Energy Centre

- 7.38 This is external funding from the Getting Building Fund and was in the 'subject to viable business case' section of the programme until certain conditions were met: approval of a project change request by MHCLG, planning permission being in place by 31 March 2021 and a Service Level Agreement being place with SELEP. All these conditions have now been met so the budget of £4,200,000 is being brought up into the memo section 'to be delivered by Porters Place Southend-on-Sea LLP'. The grant will be passported to the LLP under a back-to-back agreement to enable them to power the Better Queensway project with a modern, efficient electric heating system.

#### Housing Infrastructure Funding

- 7.39 The Council was awarded £15m from the Housing Infrastructure Fund which will be used to carry out highways changes as part of the overall Better Queensway redevelopment. This was put in a section below the main programme as it was subject to grant re-profiling. The profile has now been established and this budget is being brought up into the memo section 'to be delivered by Porters Place Southend-on-Sea LLP'. The grant will be passported to the LLP under a back-to-back agreement.

#### **Levelling-up Fund**

- 7.40 There is a report elsewhere on this agenda that sets out the proposed approach to applications to the Government's Levelling-Up Fund (LUF) and asking Members to agree to submit three bids: Highways and Visitor Economy bids in the first round and a culture-led regeneration bid in the second round.
- 7.41 As noted in that report, if agreed and if the bids are successful, significant sums will be added into the capital investment programme, both for the grant funded elements and the match funding that will be required of the Council. The second round bid is a joint bid with Rochford District Council (with the Council as lead authority) so they would fund some of the match funding proportionate to the grant funding sought for delivery in the district as part of that package of measures. Given the already challenging amended programme as set out in Appendix 2, this will require significant re-prioritisation of existing schemes.

## 8 Infrastructure Funding Statement 2020/21

- 8.1 Attached as Appendix 4 is the Infrastructure Funding Statement (IFS) for the reported year 1 April 2020 to 31 March 2021. The COVID-19 pandemic has had a significant impact on Community Infrastructure Levy (CIL) and Section 106 planning obligation (S106) receipts and expenditure in 2020 to 2021. The Summary Tables from the IFS are set out below:

**Summary Table 1: Community Infrastructure Levy (CIL) Funds 2020 to 2021**

Reported Year 2020 to 2021	Total value of CIL set out in all Demand Notices issued in the reported year	£324,457.00
	Total amount of CIL receipts carried over from previously reported years	£1,548,586.05
	Total amount of CIL receipts in reported year	£484,436.65
	Total amount of CIL expenditure in reported year	£31,665.27
	Total refunds in reported year	£19,221.70
	Total amount transferred to other organisations in reported year	£2,558.04
	Total amount of CIL allocated but unspent in reported year	£45,215.02
	<b>Total amount of CIL collected in any year unspent at the end of reported year</b>	<b>£1,934,362.67</b>

**Summary Table 2: Section 106 (S.106) Planning Obligation Funds 2020 to 2021**

Reported Year 2020 to 2021	Total amount of money to be provided under any planning obligations which were entered into during reported year	tbc
	Total amount of money under any planning obligations carried over from previously reported years which had not been allocated and was available to spend at the start of reported year	£1,736,816.96
	Total amount of money under any planning obligations carried over from previously reported years which was allocated but not spent at the start of the reported year	£1,450,000.00
	Total amount of money under any planning obligations which was received in reported year	£908,192.31
	Total amount of money under any planning obligations which was spent in reported year	£43,105.50
	Total amount of money under any planning obligations transferred to other organisations in reported year	£0.00
	Total amount of money under any planning obligations which was allocated but not spent at the end of the reported year	£2,325,106.42
	<b>Total amount of money under any planning obligations retained at the end of reported year</b>	<b>£1,726,797.35</b>

8.2 The £1,934,362.67 in CIL funds retained by the Council (yet to be allocated and remaining available to spend) at the end of the reported year (as at 31 March 2021) includes:

- £1,745,122.24 in the CIL Main Fund; and
- £189,240.43 (15% of total receipts less surcharges) as Ward Neighbourhood Allocations.

8.3 The Council commenced CIL charging in July 2015 and as at 31 March 2021 there was £1,745,122.24 in the CIL Main Fund. These funds, which are to be spent on strategic infrastructure to support growth, have been carried forward to date. The amount currently in the CIL Main Fund is relatively small in the context of the funding likely to be required for strategic infrastructure projects that support new development within the Borough, particularly housing. Therefore, it is considered appropriate to continue to carry forward the CIL Main Fund at this time with the CIL Governance Framework and spending plans to be reviewed later this year.

8.4 Officers are currently exploring possible ways of using the neighbourhood proportion of CIL more effectively and creatively using Crowdfunding platforms. Any proposals for spending of the CIL Main Fund, or changes to the governance arrangements relating to the spending of the neighbourhood proportion of CIL, will be reported separately to Cabinet for consideration. However, the pandemic has delayed progress in this respect.

## **9 Procurements with a contract value £1m+**

9.1 The Annual Procurement Plan 2021-22 was approved at the 23 February 2021 Cabinet meeting, including those procurements with a contract value of £1m+, as set out in the appendix to that report. As a result of reviewing the 2020/21 end of year position, a further procurement with a contract value over £1m has been identified.

9.2 The Parking Enforcement and Operations contract, with a total revenue contract value of £16m (annual value of £1.6m), is based on a seven-year contract with an option to extend for a further three years. Currently the annual budget is set at £1.2m, however the Parking Team are in the process of putting together a business case to take to the Investment Board to request additional investment in the budget to be able to deliver new services, improvements and efficiencies through deployment of further Civil Enforcement Officers around the borough and a new car pound within Southend. The new contract will allow for growth and innovation in new technologies and will also support the Council's aspirations to reduce emissions and congestion.

9.3 The following services will be included in the new contract:

- Civil Parking Enforcement and Moving Traffic Enforcement
- Appeals, Representations, General Customer Contact Centre
- Administration of parking permits, paid parking, dispensations, and suspensions
- Provision of vehicle removal and storage services
- Maintenance of signage and other parking assets (pay machines etc, not building or structural)
- School Crossing Patrols
- Provision of a cashless parking solution, including pay-by-mobile and parking permits.
- Customer support

## **10 Other Options**

10.1 This is a factual report setting out the 2020/21 outturn and is a reporting requirement of good financial governance. As such there are no other options. Cabinet are of course able to suggest changes to the amounts appropriated to and from earmarked reserves, which would result in a compensating adjustment to the amount taken to or from general reserves. The report also follows and complies with the good practice identified with CIPFA's Financial Management Code which becomes mandatory for 2021/22.

## **11 Reasons for Recommendations**

11.1 To provide Cabinet with the final revenue and capital outturn position for 2020/21.

11.2 As part of the year end processes, Cabinet is required to approve any appropriations to or from earmarked reserves. This report fulfils that purpose.

11.3 Cabinet is required to approve capital budget carry forwards, accelerated delivery requests and in year amendments to the current approved programme.

## **12 Corporate Implications**

12.1 Contribution to the Southend 2050 Road Map

The robustness of the Council's budget monitoring processes and the management of in-year spending pressures are key determinants in maintaining the Council's reputation for strong financial probity and effective stewardship. This approach also enables the Council to redirect and prioritise resources to ensure the delivery of agreed outcomes for the benefit of local residents, local businesses and visitors to Southend-on-Sea. This report outlines the delivery of the Council's objectives and priorities in financial terms and key achievements through the Annual Report.



## 12.2 Financial Implications

As set out in the body of the report and accompanying appendices.

## 12.3 Legal Implications

The Council is required by section 151 of the Local Government Act 1972 to plan for the proper administration of its financial affairs. The Council is also required by section 28 of the Local Government Act 2003 to monitor its budget, and take corrective action, as necessary. The Council's chief finance officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for effective budgetary control and for reporting variances to interested stakeholders. To comply with these best practice arrangements, it is important that Cabinet receive information and comment accordingly on the final outturn performance of the revenue and capital budgets as set out in the report.

## 12.4 People Implications

None arising from this report.

## 12.5 Property Implications

Consideration is given to the property implications when the Medium Term Financial Strategy and Capital Investment Programme is determined.

## 12.6 Consultation

Consideration is given to consultation when the Medium Term Financial Strategy and Capital Investment Programme is determined.

## 12.7 Equalities Impact Assessment

Consideration is given to Equalities and Diversity Implications when the Medium Term Financial Strategy and Capital Investment Programme is determined.

## 12.8 Risk Assessment

Sound budget setting, monitoring, and reporting processes underpin the Council's ability to manage and mitigate the inherent financial risks associated with its budget, primarily caused by the volatility of service demand, market supply and price. A full risk assessment is considered when the Medium Term Financial Strategy and Capital Investment Programme is determined.

With the likely scale of demand pressures continuing and uncertainty over the level of future resources, it is important that the Council holds a robust position on reserves and maintains the ability to deal positively with any issues that arise during this and future financial years.

## 12.9 Value for Money

The approved budget reflects the Council's drive to improve value for money and to deliver significant efficiencies in the way it operates. Monitoring the delivery and reporting the financial variances of services helps to highlight areas of concern and to assist in the achievement of improved value for money. The Council's approach to evidencing value for money will be strengthened by the new Getting to Know Your Business Programme and demonstrating compliance with CIPFA's new Financial Management Code.

## 12.10 Community Safety Implications

Consideration is given to community safety implications when the Medium Term Financial Strategy and Capital Investment Programme is determined.

## 12.11 Environmental Impact

Consideration is given to the environmental impact when the Medium Term Financial Strategy and Capital Investment Programme is determined.

## 13 Background Papers

Financial Sustainability Strategy 2020 – 2030  
Medium Term Financial Strategy 2021/22 – 2025/26  
Resourcing Better Outcomes - Financial Performance Report – Period 8

## 14 Appendices

Appendix 1 Annual Report 2020/21  
Appendix 2 Requested Changes to the Capital Investment Programme  
Appendix 3 Amended Capital Investment Programme  
Appendix 4 Infrastructure Funding Statement for 1 April 2020 to 31 March 2021



Working to make  
*lives better*  
[www.southend.gov.uk](http://www.southend.gov.uk)

# Annual Report

2020-2021



## Introduction from Leader of the Council and Chief Executive



Cllr Ian Gilbert, Leader of the Council   Alison Griffin, Chief Executive

*The last twelve months have challenged our community like never before. Many lives have been lost and there are still tough times ahead, but we are starting to see light at the end of the tunnel, with the vaccination programme working well in Southend and restrictions starting to ease.*

Despite the difficulties and impact the pandemic has had on every aspect of our lives, our local NHS staff and keyworkers have gone above and beyond to keep our community safe and well. For that we cannot thank them enough.

We also want to recognise the efforts and hard work of our staff, volunteers and partners over the past year, and thank you to everyone who acted responsibly to help protect our local NHS.

We've remained strong despite the global pandemic and additional challenges following Brexit. We've won awards and achieved amazing things and we could not be prouder of our people.

This report highlights the progress we've made during 2020/21 and showcases a number of our priorities for the coming year.

Looking forward, economic recovery, reopening businesses and maintaining the safety of our community are key priorities for the council. We must also invest in protecting our environment and push forward with the council's aim of reaching net zero carbon emissions by 2030.

It's more important than ever that we remain collaborative, inclusive, honest and proud. Together we will support one another, remember and celebrate the lives of those that we have lost and look ahead to a brighter future. The continued work of our council is vital to the health and economic wellbeing of residents across the borough, and we are proud to serve our community.



## Our achievements include:

- adapting our core services and working with the community and partners in response to the pandemic, including setting up vaccination centres and community Lateral Flow Device testing sites; providing frontline social care services; and ensuring schools remained open to key workers' and vulnerable children
- setting up the Southend Emergency Fund, a grassroots coalition of local people, community groups and businesses, raising much-needed cash for local third sector organisations helping people deal with the impact of the pandemic
- forming the Southend Food Alliance with South Essex Community Hub and Southend Foodbank to bring together local organisations providing food for residents
- housing 138 rough sleepers in temporary accommodation during the pandemic
- helping local businesses re-open safely and distributing government support grants to aid their recovery
- being awarded Purple Flag accreditation, highlighting our night-time economy as safe, diverse, entertaining and enjoyable
- the imaginative ways our galleries, museums and libraries have engaged our community during pandemic restrictions, creating online activities, downloadable art activity packs and click & collect book loans
- carrying out town centre improvements, including completing paving works on London Road and Victoria Circus, installing 'green roof' cycle shelters, improving street lighting and developing efficient urban drainage systems

- maintaining our seafront and shoreline, and parks and green spaces to a high standard
- agreeing the Green City Action Plan, delivering a green future for Southend and supporting the council's aim of reaching net zero carbon emissions by 2030



## Southend 2050 Ambition

Southend 2050 is the borough's shared ambition for the future. It was developed in 2018 following extensive conversations with people who live, work, visit, do business and study in Southend. These conversations asked people what they thought Southend should be like in 2050 and what steps are needed now and in the coming years to help achieve this.

The pandemic has made the Southend 2050 ambition more challenging, but it remains achievable. It will 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.

The Southend 2050 ambition has 26 outcomes, which fit into five themes. These themes (see right) provided a framework for our initial response to the pandemic and now inform our approach to helping local economic recovery. A five-year roadmap timeline (see page 24) identifies key projects that will make the ambition a reality.



The five Southend 2050 themes

## Place branding

The council, along with the cultural, business and civic community, has been working with Hemingway Design during 2020 to create place branding to market Southend as a desirable and exciting destination to live, work, invest and visit.

Here is the emerging messaging about the people, organisations and places of Southend:

- This is the start of the line - where fresh ideas and new approaches radiate from the edgelands of the Thames estuary. We push boundaries, rock the boat and set wheels in motion for the things that matter - for people, for joy, for creativity and for freedom of expression. Our vision, impact and potential are beyond limits - forget the norm, forget the beaten path, forget expectations. Southend is the alternative seaside experience.
- We celebrate the beauty and joy of individualism. We embrace different; we're passionate and not afraid to express it. Our neighbours might be marching to the beat of a completely different drum, but we're marching together. We're proud of our working class roots and not afraid to be ourselves - straightforward and authentic. In Southend, we don't sit and wait for things to happen - we roll up our sleeves and get it done. Across our borough you'll see a lot of very different places and very different people. What unites us is celebrating that difference and being proud of our place.
- This place, where the Thames meets the North Sea and underground meets mainstream, offers irresistible escapism and a lot of good old-fashioned fun. Generations of families, teens, lovers and adventurers have lived and visited here - because no matter who you are, there's joy to be found at the seaside. Roll up your trousers, dip a toe in the waves and let

your hair down. We've got just as many opportunities for sports and leisure as we do arts and culture - in Southend, there is something exciting for everyone. Whether you live here or are visiting, it's a different kind of getaway.



## What our residents have told us about the COVID-19 pandemic and recovery

We are committed to listening to the views of residents, to help us understand their priorities, find out what they think of our services and check whether they feel they can influence decisions that affect them and their local area.

In December 2020, we launched a Residents' Pulse Survey to understand people's experiences during the pandemic and gather their ideas about how Southend could begin to recover. 152 residents from across the borough responded to the survey.

Key findings from the survey include:

- 2 in 5 (44%) felt more or much more connected to their local area / community since the pandemic began

- 3 in 5 (58%) were confident or fairly confident that they would be able to recover financially from the pandemic
- over 1 in 10 (16%) felt they had not been affected financially, while 2 in 25 (8%) were very concerned that they would not be able to recover financially from the impact of the pandemic
- showing empathy and kindness, making sure any Government restrictions are followed and taking personal responsibility for one's health were key things respondents felt we can all do to support each other to stay well during and after the pandemic
- respondents showed a willingness to embrace change, particularly if it involved positive effects on the environment, supporting local businesses and supporting vulnerable people
- helping children, older people and vulnerable people to thrive was recognised as being necessary to the recovery of the borough.

Findings from the Residents' Pulse Survey 2020 will inform delivery of the Southend 2050 ambition and outcomes. The information will also influence policy and service delivery decisions for 2021/22.





## Our borough's challenges

As we work to achieve our shared ambition and help our local economy recover from the impacts of the pandemic, it is important to acknowledge our borough's challenges and their impact so that we can improve everyone's quality of life. There is considerable variation in quality of life across the borough - we have neighbourhoods comparable to some of the most deprived areas of the country, but we also have neighbourhoods ranked amongst some of the least deprived.

Key statistics about the borough:

- In 2020, 17.1% of Southend's residents were economically inactive.
- Average weekly earnings were £650 for men and £605 for women.
- 40% of Southend's residents live in areas considered to be in the most deprived 30%

in the country, with eight neighbourhoods falling into the 10% most deprived in the country.














- 14 of Southend's neighbourhoods have a higher population of children living in poverty than the England average; Victoria and Kursaal wards are among the 20% most deprived wards in the country.
- Kursaal, our most deprived ward, ranks 129<sup>th</sup> most deprived neighbourhood nationally according to the 2019 Index of Multiple Deprivation.
- 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.

Results of our 2019 Residents' Perception Survey show that:

- 2% of West Leigh residents indicated they were in bad health, compared to 8% in Kursaal and 6% 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%).
- Residents living in Kursaal, St Luke's and Victoria wards are significantly less satisfied with their local area (55%) (compared to 74% for the borough), feel significantly less safe and are more likely than other residents to cite crime and anti-social behaviour as something they dislike about their local area.
- A minority of residents (21%) in Southend agree that they can influence decisions that affect their local area. More than twice this number (57%) disagree.

# Southend Borough Profile

<p><b>Population</b></p>  <p><b>183,125</b></p> <p>51% female 49% male 87% White British</p>	<p><b>Healthy life expectancy</b></p>  82.5 years  79.1 years <p>lower than England rate</p>	<p><b>Fertility rate</b></p>  <p><b>1.84</b></p> <p>children per woman higher than England rate</p>	<p><b>Median house price</b></p>  <p><b>£293,500</b></p> <p>higher than England median</p>
<p><b>Crime</b></p>  <p><b>98.6</b></p> <p>crimes per 1,000 people lower than England</p>	<p><b>Employment</b></p>  <p><b>79.1%</b></p> <p>higher than Great Britain</p>	<p><b>Under-18 conceptions</b></p>  <p><b>21.4</b></p> <p>per 1,000 females aged 15-17 higher than England rate</p>	<p><b>Cost of renting</b></p>  <p><b>£825</b></p> <p>median monthly rent for a 2-bedroom property higher than England</p>
<p><b>Earnings</b></p>  <p><b>£640</b></p> <p>median gross weekly pay for full time workers higher than Great Britain</p>	<p><b>Benefits</b></p>  <p><b>8.1%</b></p> <p>of Southenders aged 16+ claim Universal Credit higher than Great Britain</p>	<p><b>Out of work</b></p>  <p><b>12.9%</b></p> <p>of households are workless lower than England</p>	<p><b>Schools</b></p>  <p><b>21.4%</b></p> <p>of schools are "Outstanding" higher than England</p>



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*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.*

*The variety and quality of our outstanding cultural and leisure offer has increased for our residents and visitors and we have become the region's first choice coastal tourism destination.*

*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 valued and support the mental and physical wellbeing of residents and visitors.*

---

**1.6 million**  
visits to the  
Pier and our  
sports and  
leisure places

**10,399**  
volunteering  
hours  
delivered

We have  
**5**  
Blue Flag  
Beach Awards

**It is difficult to put in to words the impact of the last year on individuals, our community and staff. Despite the challenges of a year like no other, local people have gone out of their way to support each other during the pandemic. From volunteers helping our front-line staff at vaccine centres, to neighbourhood support groups looking out for each other, there is a huge sense of pride in how the community have come together in the most difficult of times.**

Here at the council, we adapted quickly to changing conditions and new ways of working, which have become a defining factor of the pandemic. Digital transformation and innovative changes to our frontline teams' work enable us to continue delivering council services while keeping our people safe.

Our number of visitors and town use have changed greatly over the last year, following easing and reintroduction of lockdown rules. Council communications have worked hard to promote the safe use of the town to residents and visitors.

The closure of facilities also provided an opportunity to carry out remedial and regeneration work, or to re-purpose spaces to meet vital service demand. For example, closure of the Pier allowed us to improve the visitor experience at Pier Head, while the Cliffs Pavilion was used as a vaccination centre.

In March 2021, the council was awarded grants from Heritage England for urgent maintenance and repairs to Southchurch Hall Museum, Prittlewell Priory Museum and Leigh Library.

To support businesses, the Visit Southend website promoted local shops offering a click and collect service. The council's 'Shop Local, Shop Southend-on-Sea' campaign was relaunched in December 2020 to coincide with the temporary lifting of restrictions.



Southend's cultural venues continue to flex their offerings and use imaginative ways to engage our community. Galleries, museums and libraries created online activities, downloadable art activity packs and click and collect book loans.

In July 2020, Southend Museums was chosen to take part in an innovative audio project The Caretakers, which placed security staff in a curator's shoes for a museum tour. A collaboration between local arts organisation Metal and artist Eloise Moody, the series gave a unique audio tour of Southend Museums while they were unable to open to public.

Focal Point Gallery was commissioned by Historic England to produce 'S for Southend', a film exploring the future of high streets across England.

Southend's outdoor amenities remain vital for people's wellbeing, and we ordered new street furniture early in anticipation that the Department for Transport's Active Travel Fund would increase demand.

We are delighted to end the year with a record total of seven Green Flag awards in the borough, recognising our well-maintained parks and green spaces.

Work carried out by the council this year includes:

- opening a new play area in Shoebury Common North
- planting 641 trees and 7,000 shrubs across the borough
- adding a green wall to a building at Earls Hall Primary School
- completing paving works and installing 'green roof' cycle shelters and bespoke lighting on London Road and Victoria Circus
- public realm improvement works on Warrior Square, Whitegate Road, York Road and Tylers Avenue in the town centre
- putting in place sustainable drainage systems at Southchurch Park East car park and on London Road.

**99.9%**  
of waste  
collections  
made on time

**96.5%**  
of serious road  
and pavement  
defects made  
safe on time

**74%**  
of respondents  
satisfied with the  
local area as a  
place to live  
(Residents' Perception  
Survey 2019)

The borough has seen increased numbers of cold-water swimmers, some of whom featured in The Guardian newspaper in December 2020. Alongside fantastic images of the swimmers, our coastline and beaches it said: "Swimmers say working from home [as a result of the pandemic] has given people more time to enjoy simple pleasures and the sea allows a moment to step away from normal life in uncertain times."

Unfortunately, our open spaces have also seen irresponsible behaviour from some users, with a significant increase in littering and dog fouling. The council tackled this with robust community engagement and communications programmes, including rolling out new Keep Britain Tidy resources, working with our contractor Veolia and with volunteers to keep our spaces clean and inviting.

The council's shoreline strategy continues to be developed; we completed our annual coastal asset condition survey in September 2020; are refreshing the local Flood Risk Management strategy and Surface Water Management Plan; and we continue to work with the Environment Agency to progress the business case for the Shoebury Coastal Defence Scheme.

The council continues to monitor nitrogen dioxide levels at Air Quality Management Area 1, which is centred at the Bell Junction on the A127. Provisional data for 2020 indicates that there was a decrease in nitrogen dioxide levels from 45µgm-3 (micrograms per cubic meter) in 2019 to 36.6µgm-3 in 2020; the national air quality objective is an annual mean of 40µgm-3. The reduction in nitrogen dioxide was because of the decreased amount of traffic during the pandemic. A second Air Quality Management Area was declared in November 2020 in Victoria Avenue.





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*By 2050 people in Southend 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.*

*Residents feel safe and secure in their homes.*

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## **The council has worked closely with its partners to keep people safe and well over the past year.**

We:

- are supporting the NHS with the local rollout of the COVID-19 vaccination programme at centres set up across the borough, including at the Cliffs Pavilion
- set up three community rapid Lateral Flow Device (LFD) testing sites in the borough
- were one of the only authorities to set up a school-only LFD testing site to support schools
- made free Personal Protective Equipment available for all unpaid carers looking after relatives or friends but living in separate properties, following updated Government guidance
- opened a care unit in partnership with Southend Care for older people ready to leave hospital but awaiting a COVID-19 negative test result.

**1.94**  
incidents of  
domestic  
abuse per  
1,000 people

**86% / 40%**  
of residents feel  
safe during day /  
after dark  
(Residents' Perception  
Survey 2019)

We continue to work with partners to give children and young people access to high quality care:

- a pathway for neurodevelopmental diagnostic and treatment services was developed in consultation with community paediatric services and parent groups.
- a council health service enabling school children to anonymously text a school nurse received a national award for providing 'an innovative solution to accessing mental health support, particularly during the COVID-19 pandemic'.
- ChatHealth came top in the 'Nursing in Mental Health' category at the Nursing Times Awards in November 2020.

## Community Safety

The council's Community Safety Patrol team increased during the pandemic and provided a highly visible presence in targeted areas. In addition to our security base at Jubilee Beach a new frontline security base in Old Leigh was made operational in March 2021.

### Beach Welfare Officers Pilot

May to August 2020

220 volunteer Beach Welfare Officers completed 702 hours of shifts, assisting with delivering first aid, aiding lost persons and patrolling the seafront and shoreline to ensure people had a safe visit.

In January 2021 Southend was awarded Purple Flag accreditation, highlighting that the night-time economy in Southend is safe, diverse, entertaining and enjoyable. Work on the night-time economy Safe Haven Hub pilot in the town centre is ongoing. The pilot went live in December 2020 but had to be scaled back due to lockdown restrictions.

We reviewed our Southend Violence and Vulnerability plan, which has a targeted focus on prevention.

## Housing

The council, with help from partners, housed 138 rough sleepers in temporary accommodation - and only 12 of the original intake remain. The majority have moved on into more permanent tenancies, with ongoing support in place. According to the annual rough sleeper count carried out in November 2020, the number of people sleeping on the streets of Southend has dropped to eight.

53.2%

of those at risk of homelessness are helped to secure alternative accommodation for at least 6 months

251

children housed in temporary accommodation per quarter (average during 2020/21)

**One former rough sleeper has spoken out about how finding a stable home can make all the difference. The person, who wishes to remain anonymous, said:**

"I lost my rented accommodation and became a rough sleeper in a tent on the Cliffs area in Southend.

"In January 2021, I was picked up by a rough sleeper navigator who placed me in a local B&B. This allowed me to settle in and work towards coming off the street and eradicate the rough sleeper stigma.

"Through the work and support from the navigator, council officers and support from One Love, I am now settling into my own accommodation. I received assistance from the council in purchasing white goods I needed to help settle down. This has given me hope and opportunity to start rebuilding my life and I am now assisting others as a volunteer with One Love."

We successfully bid for over £317,000 from Public Health England to fund specialist roles to address drug and alcohol use among the homeless and former rough sleepers.

A new befriending scheme to help former rough sleepers successfully adapt to life in their new homes was launched by Southend Churches Community Support and the council in March 2021.

We bought a further 13 new properties in 2020/21 as part of our ongoing acquisitions programme. Funding from the Government's Next Steps Accommodation Programme allowed us to purchase three homes and cover the provision of B&B accommodation and placement of European Union (EU) nationals in accommodation while we helped people apply to the EU Settlement Scheme.

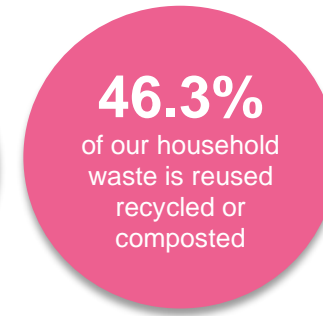
We progressed accommodation support routes to tackle homelessness, including the rapid assessment hub, which provides five

single COVID-secure self-contained units of emergency accommodation. 266 households at risk of homelessness were supported by the council with temporary accommodation.

### **Affordable housing**

There was good progression on affordable housing across the borough:

- In September 2020 Porters Place Southend-on-Sea LLP, a joint venture between the council and Swan Housing Association, submitted a planning application for the Better Queensway regeneration project.
- In October 2020, a legal agreement to secure 100 additional homes for social rent at Porters Place LLP was completed.
- Affordable housing was delivered by the Housing Revenue Account (HRA) Land Review project and Modern Methods of Construction (MMC) pilot projects. Phases 3 and 4 of the HRA Land Review progressed to the final design stage. Both



Saxon Gardens MMC pilots received planning permission and a contractor appointed for the Archer Avenue MMC pilot.

- Work progressed with Southend United Football Club and Citizen Housing on the development of housing at Roots Hall and Fossett's Farm.

The council's Green City Action Plan was adopted in October 2020 and the council, along with nine other local authorities, was awarded £3 million funding through the Green Homes Grant Local Authority Delivery project. The consortium aims to deliver 450 significant low carbon measures to 300 eligible households. The council again teamed up with the Local Energy Advice Partnership to help residents save money and keep warm during winter.





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*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.*

*Residents feel the benefits of social connection, in building and strengthening their local networks through common interests and volunteering.*

*Residents are routinely involved in the design and delivery of services.*

*A range of initiatives help increase the capacity for communities to come together to enhance their neighbourhood and environment.*

*More people have physically active lifestyles, including through the use of open spaces.*

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**Our communities, civil society, the council and partners came together to deal with the local impact of the pandemic. We have reached all sections of the community with the NHS Test, Trace, Contain and Enable service, the COVID vaccine rollout and the EU Settlement Scheme.**

We have looked out for each other, collaborated and shown real community spirit. Fantastic examples include:

- the Southend Emergency Fund pooling resources from the council, the National Lottery, businesses and residents to make small grants available to local community groups and charitable organisations supporting individuals in need
- the Southend Coronavirus Action Helpline
- HUB 151 in Shoeburyness becoming a hub for Personal Protective Equipment production to keep people safe from COVID-19

- hundreds of residents and businesses coming together to provide hundreds of free meals for children during the autumn half term holiday
- the Southend Food Alliance supplementing the provision of free school meals with a £15 pre-paid card food scheme
- the Salvation Army and council workers delivering Christmas food parcels to families in need
- Southend Adult Community College preparing and delivering more than 4,500 meals for the homeless
- the One Love Project, a pilot scheme involving volunteers working with the council and Friars Baptist Church, offering weekly healthy take-away meals to people in need
- 500 volunteers being recruited and deployed by South Essex Community Hub as part of our COVID-19 response
- the Good Neighbours project encouraging local residents to be Good Neighbours and look after each other during the pandemic.



**Rachel Mason, local resident and Good Neighbour, said:**

“It has been a very difficult and strange time, but people have come together and have really supported each other. The street is now a lot closer, and it’s lovely getting to know neighbours, I think the whole street agrees we have become friends because of bunting!”



Building on the willingness of the community to be involved, in September 2020, the council, Southend Association of Voluntary Services (SAVS) and partner organisations developed a cohort of 120 community connectors to signpost people to support and information on the pandemic. In February 2021, 14 online ‘Covid conversations’ took place, aimed at updating the community about COVID-19. The sessions, run jointly by the

council and SAVS, provided the latest updates on the pandemic and the local response in Southend and were attended by over 500 people.

The council continues to provide information for EU residents applying to the EU Settlement Scheme, as well as promote the assistance Citizens Advice Southend and the East European Resources Centre are providing locally to help people get settled status to stay in the UK.

There has been lots of community led action to celebrate and support the people of Southend. In September 2020, a community art project transformed hoardings in Southend into artistic messages about exploitation to show the town’s zero tolerance approach to modern slavery. SAMS (Southend Against Modern Slavery) partnership, Project 49 and artist Nik Vaughn worked together on the piece.



Black History Month was celebrated with a programme of inspirational events and resources throughout October. Southend Youth Council, in partnership with SAVS, held an event called ‘Celebration of Black Lives’ on online platform One Southend and powerful presentations were heard at a Black, Asian and minority ethnic communities listening event.

The South East Essex Chinese Association worked with local restaurants to cook over 1,000 meals for local hospitals and sourced thousands of PPE items for local service. We were appalled to learn they received racist messages on social media and acted quickly with the police and local community to address and take down the posts online. Racism has no home in Southend.

59%

of respondents agree that people of different backgrounds get on well together  
(Residents' Perception Survey 2019)

74%

of respondents have good friendships both in and outside of their local area  
(Residents' Perception Survey 2019)

The council has held regular, informal feedback sessions with stakeholders and the public. These have given a platform for the voices of young people, people with a disability, people from Black, Asian and minority ethnic communities, people from faith communities and people who are homeless to be heard. Unable to hold events due to restrictions, we used online channels to raise awareness of the importance of equality and inclusivity during Hate Awareness Week, International Women's Day, International Men's day and UN Anti-Racism Day of Action.

Meeting demand for a central place where local assets and services can be found online, the council continued investment in the development of the Livewell Southend directory. The directory has over 1,000 groups and services listed and has become a key tool for the local social prescribing programme.

The Your Say Southend online engagement portal was launched in June 2020. The new platform will enable residents to share ideas, chat in forums and check progress on outcomes.

In November 2020, Southend Youth Council members took part in virtual Make your Mark voting, organised by the British Youth Council. The Make your Mark campaign is the biggest consultation of young people in the UK every year. Southend recorded the highest turnout in the East of England, with 2,390 votes recorded and a 14.7% turnout.

### **Health and Wellbeing**

The council established a £1.5 million community investment board to help create a stronger and more resilient local voluntary and community sector. The fund moves control of funding from the council to local people. The community investment fund will replace all existing grants for community

activity. In March 2021, the council and SAVS put out the call for local community champions to help distribute the funding.

### **Community engagement projects facilitated by the council include:**

- Fit and Fed holiday programme for vulnerable young people
- community gardening
- The Art Ministry's digital arts programme for sheltered housing residents
- a digital inclusion project for older residents living in the council's social housing stock
- online wellbeing platform One Southend

Surveys of publicly available natural green space were completed in 2020. We identified the residential areas with poorest access to natural green space in order to target open space improvement work.



Throughout the pandemic, the council has worked closely with organisations such as Public Health England and Everyone Health to provide people with physical activity and mental wellbeing services. In February 2021, we teamed up with Sport for Confidence to provide free physical activity sessions for unpaid carers.

Our leisure centres are a key asset for local health and wellbeing, so after the pandemic brought a devastating drop in income to Fusion Lifestyle, the operator of Southend Leisure and Tennis Centre, we agreed to support them from August 2020 until the end of the financial year. The centres welcomed the local community back in March 2021. To support the reopening of the sites, the council successfully applied for £406,000 of funding through the National Leisure Recovery Fund.





***By 2050 Southend 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.*

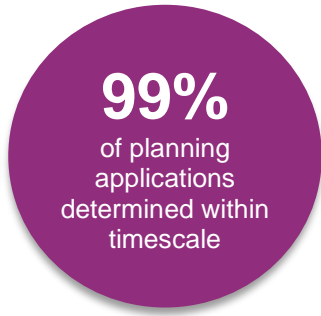
*Our children are school and life ready and young people are ready for further education, training or employment.*

*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.*

*Southend provides fulfilling careers for our residents, and enough job roles to match the needs of the population.*

*Southend businesses feel support to respond to economic shock; adapt to evolving global markets; and, have the tools to preserve their businesses by responding effectively and positively to change.*



**The council continues to support many local businesses and employers by helping them re-open safely and providing government support grants to aid their recovery.**



Sarah Potts, Director of Active Life for a Healthier You, based in Southend, received a discretionary grant. Sarah said: "With the awarding of the discretionary grant, we are now able to keep our office and focus on our return to delivering our sessions across Southend, providing local people with safe and effective ways to improve their health and wellbeing, both physically and emotionally."



We also provided support grants to the arts and creative sector in Southend which has been particularly affected by closure restrictions. Those affected include not just

venues but businesses, freelancers and the supply chain.

In July 2020, TOMA (The Other MA) and The Old Waterworks were awarded £15,000 by Creative Estuary to launch 'Precarious straits ~ survival on Southend's new coast, Southend-under-Sea'.

The council continues to promote apprenticeship opportunities, including running four apprenticeship events. We secured funding for two Kickstart schemes offering work placement at the council and with local businesses. They provide unemployed people aged 16 to 24 with paid work experience, while offering businesses additional resource in a time of uncertainty.

Southend Adult Community College maintained its programme through remote learning for more than 2,000 adult learners during lockdowns and remained open to vulnerable students. Additional support came as food parcels and learning packs for those where digital access was a barrier to learning.

**80%**

of units in the High Street are occupied (BID area only) (January 2021)

**64,000**

employee jobs in the borough (March 2020)

**32%**

of council spend is in our local supply chain

Research indicated the pandemic would pose a particular disadvantage to 18-25s in Southend, so we worked with the Local Government Association to undertake a remote peer project and secured funding to build on recommendations.

Department for Work and Pensions funding supported employment into the care sector and response to redundancy interventions. Further funding was secured from the South East Local Enterprise Partnership (SELEP) to provide loans to bring vacant premises back into use across south Essex. Funding from SELEP was also secured to support interventions in the town centre.

Much work has been done on the High Street, including the procurement of a footfall monitoring solution to support projects and encourage new businesses to the town.

In December 2020, we bought the Victoria Shopping Centre for £10 million, demonstrating our commitment to the future

of the town centre and giving the council a significant property ownership stake in the High Street.

There has been progress on key regeneration schemes:

- Better Queensway secured planning consent for the highway in detail and the overall project in outline
- the Seaway development was granted conditional planning permission in October 2020
- the first commercial build at Airport Business Park Southend was handed over to plane seating firm Ipeco
- planning permission was secured for an innovation hub and 12 industrial units at Airport Business Park, Southend.

Work on the Local Plan aims to make it an exciting planning framework for the borough. Technical studies were finalised to inform the Local Plan and Joint Strategic Plan, while a communications and engagement sub-group will plan and scope consultation and engagement activities.

Children's centres remained open throughout the pandemic, with many families accessing services face-to-face and online.

Over the year we have undertaken several engagement and review processes of children's centres in Southend:

- working with A Better Start Southend, Southend Association of Voluntary Services and Thriving Communities to review different delivery models
- co-producing recommendations with parent champions and service users
- developing a hybrid model of children's centre provision for children and families.

**97.8%**  
of 3–4-year-old  
children benefit  
from universal funded  
early education in  
OFSTED-rated Good  
or Outstanding  
settings

**20,531**  
people in  
Southend receive  
Universal Credit  
(Feb 2021)

**57.3%**  
eligible children  
benefit from  
free childcare  
funding

The council worked closely with schools and local communities to support learning opportunities across a year of disruption. We made it a priority that disadvantaged pupils were able to attend school and receive appropriate support. Vulnerable pupils were supported directly within settings, with additional support from the council and the Department for Education (DfE).

We:

- provided digital devices to vulnerable families so they could take part in remote learning opportunities, supported by community groups who repurposed old or redundant equipment for vulnerable families
- supported local schools and families by spending £190,000 on school meal vouchers and offering free school meals during February half-term via the government's COVID Winter Grant Scheme

- bought 15 AV1 mini-robots in October 2020 for education settings to borrow to help pupils keep up with schoolwork



- received £680,000 funding in February 2021 as part of the DfE's Holiday Activities and Food programme, to provide fun activities and a healthy meal for eligible children during school holidays.

The council took the decision to delay applications for the borough's grammar schools following direction from the DfE.

This was to allow pupils to return to school in September and re-engage with their learning. The council continued to encourage Southend families to consider applying for a place if appropriate.

In November 2020 we worked with school leaders to arrange a series of COVID-19-secure testing arrangements. The extra window for grammar school applications helped to boost the number of candidates. There were 5,109 candidates sitting the test.

All inspections of schools by Ofsted were suspended due to the pandemic, meaning there is no change to the percentage of schools currently rated 'good' or 'outstanding', which is 87.8 per cent.

94 per cent of primary and secondary school children in Southend returned to the classroom when schools reopened in March 2021 following the easing of COVID-19 restrictions.



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

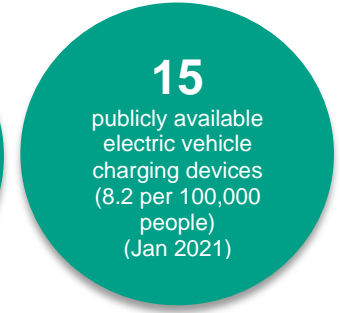
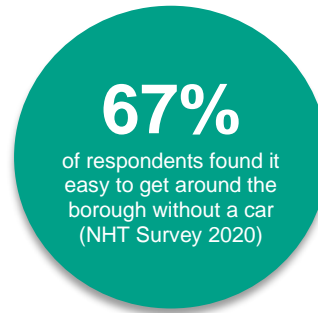
*Working with the public transport providers to enhance and encourage the use of the existing provision moving towards a long-term aspiration to open new routes, enabling a wider accessibility to public transport options.*

*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 reflects equity of digital provision for the young, vulnerable and disadvantaged.*

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**We put in place measures to ensure people could get around the borough safely during the pandemic, such as temporarily widening Western Esplanade on the seafront in May 2020 for pedestrians and cyclists and putting in safety measures at the York Road Travel Centre to keep it operational. We also promoted sustainable travel and encouraged adults and children to have physically active lifestyles.**

Active travel initiative ForwardMotion encouraged individuals and organisations to swap car journeys for alternative transport options. We also commissioned cycle network mapping work and completed cycle parking and signage surveys. The survey of road grades (the suitability for cyclists of varying abilities to use roads) was delayed because of the pandemic.

Two Southend primary schools supported an innovative scheme promoting walking and cycling and improving air quality near schools. The 'School Street' pilot launched in December 2020 and restricts access to vehicles on the road outside Greenways and Leigh North Street schools during term-time school drop-off and pick-up times. This initiative is funded through the Department for Transport Emergency Active Travel Funding.





**The council carried out works to maintain and upgrade our highway network:**

- the Bell Junction footbridge was removed in September 2020
- construction of a dedicated slip road onto Rochford Road and new pedestrian island on Hopleythick Lane completed at the start of 2021; the slip road will allow a greater number of vehicles travelling towards London Southend Airport through the junction
- cliff stabilisation works completed at Belton Way East in Leigh-on-Sea in February 2021, after £3.2 million in Government funding allowed us to carry out ground investigation and stabilisation works at Belton Way

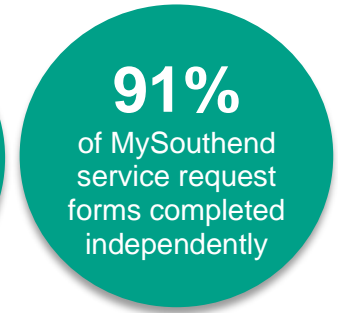
Plans for a Southend Pass one year pilot were agreed by the council, which will allow local residents and visitors to park for three hours in any zone for just 28p a day, or £8.50 a month, from 1 April 2021.



**Smart City**

The council continues to support Southend's journey to becoming a Smart City. Work carried out includes:

- carrying out research and development on the Smart City technology foundation and the Internet of Things



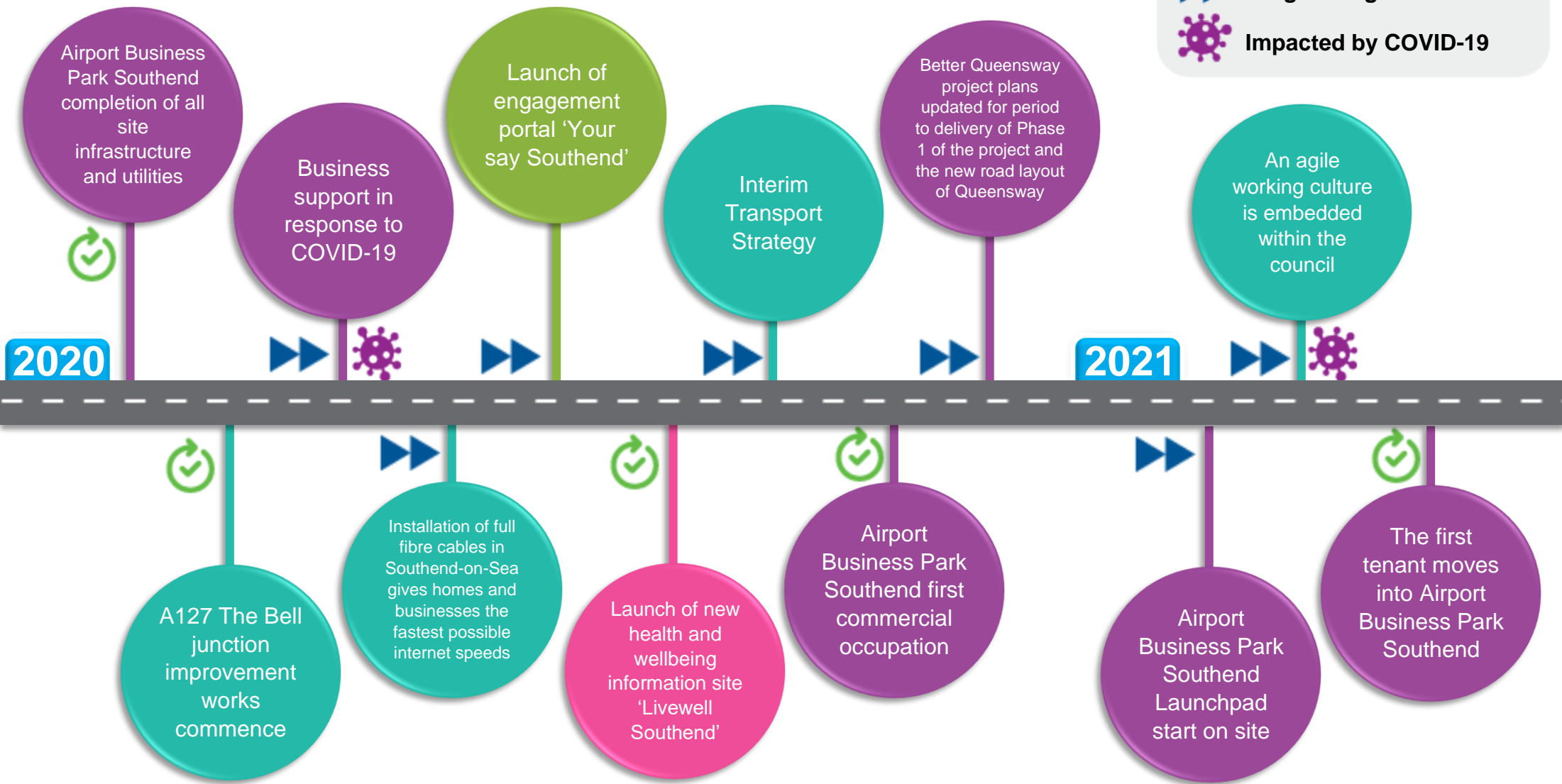
- creating the Smart Southend website to provide a single point of access for data, intelligence and analysis about the borough and support Southend to become a more data driven and data intelligent town
- working with partners to provide learning materials to increase digital literacy
- participating in broader Essex broadband and mobile projects to improve connectivity across the region.

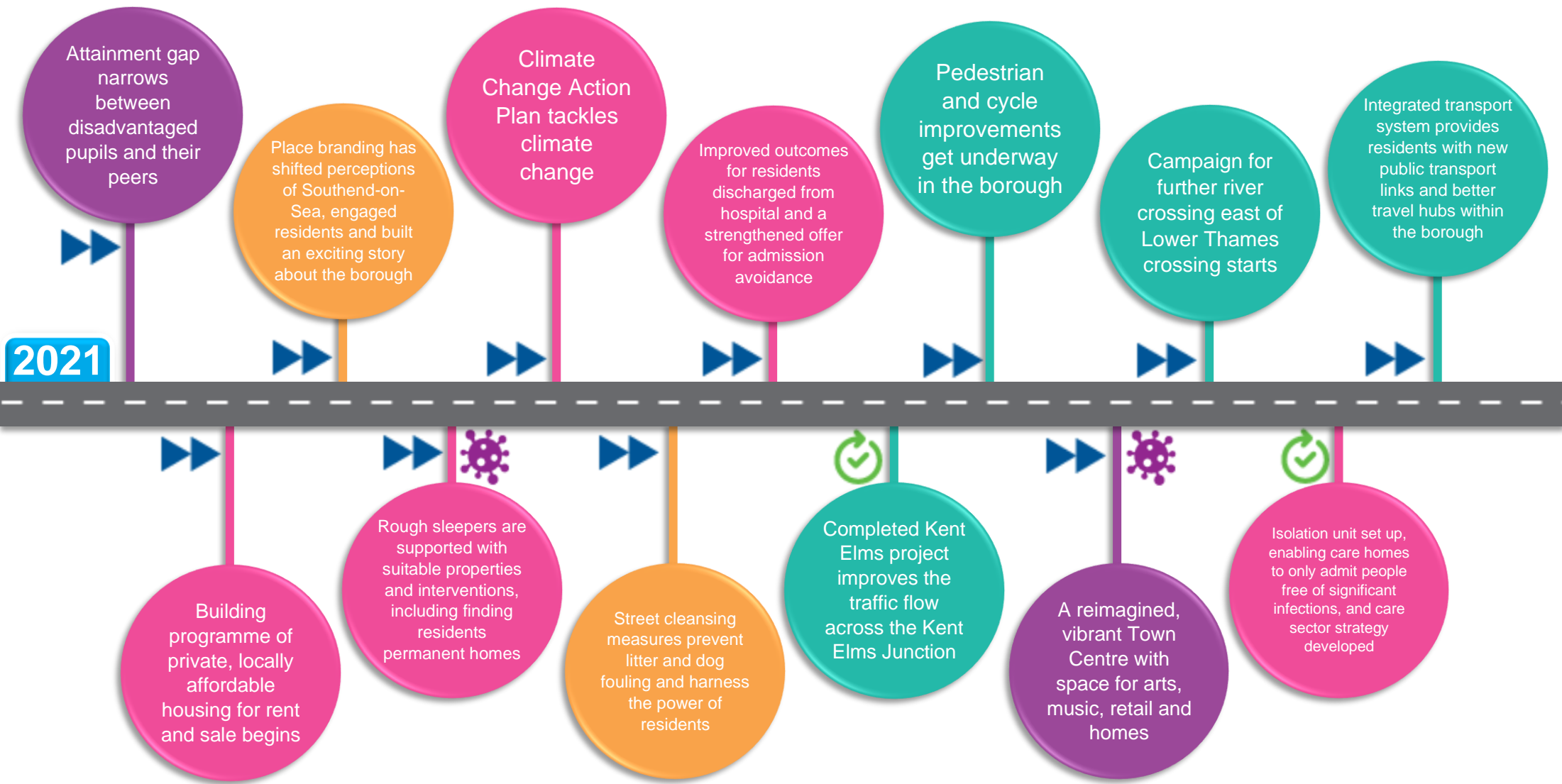
We provided council employees with more remote working tools during the pandemic:

- issuing softphones to our customer contact centre employees
- rolling out new laptops to replace Windows 7 devices
- mapping out the collaborative technology tools needed to share information and training our employees to use them.

# Southend 2050 Roadmap

-  **Completed**
-  **On track**
-  **Progressing well**
-  **Impacted by COVID-19**





2021

Aspiration and educational attainment raised amongst residents in deprived areas

Progress on housing pipeline and acquisitions for council Housing

More apprenticeships for young people

Delivery of targeted violence and vulnerability support

A thriving, well-managed night-time economy offering a safe and enjoyable experience for all

Large-scale arts festival 'Estuary 2021' takes place



Final decision made on the planning application for the Seaway development

More Southend pupils are able to attend a grammar school if they choose

Promotion of environmental zones around schools

Increased number of community safety and Community Safety Unit officers

New social and key worker housing opportunities identified and Better Queensway business plan agreed



Council participation in Association of South Essex Local Authorities LoRaWAN (Long Range Wide Area Network) and Mobile projects

2022

Better Queensway regeneration and housing scheme starts

Pier Pavilion open for residents

Young people supported by completion of Southend Cadet Programme

Internet of Things connected devices gather and share information and generate new revenue streams for the Council and entrepreneurs

A renewed partnership with the voluntary sector

Local Transport Plan

'Smart City' technology foundation established, providing new data solutions, storage and access

A higher level of technology literacy among residents

Southend-on-Sea Borough Council has moved to smarter working

New Care Centre is a smart, technology enabled centre of excellence

Wellbeing of children improved, supported by better use of children's centres

Introduction of 20 miles per hour zones in residential streets

Planting of a thousand new trees improves biodiversity across the borough

2022

Priory Care Centre is operational and meets the current and future needs of residents

Appropriate accommodation provided to all supported groups, including looked-after children

Renewed partnership and outreach programmes with community groups, including BAME and faith-based groups

Market Position Statement outlines council ambition on plans for older people, adults of working age and carers

Airport Business Park Southend Speculative small unit scheme starts on site

Residents benefit from more community self-help and support

Residents can access all council services online

Review and delivery of an integrated pathway of children's services, including community paediatrics service

Parking policy statement agreed, supporting the design of a parking strategy and provision of safe, fair, consistent and transparent parking services

New programme for improving grass verges agreed following a feasibility study to understand the different needs in each ward

Introduction of borough-wide permit supports short stay parking

Development of all age community services, including mental health, adult social care and children's services, aligned to primary care in community hubs

Provision of collaborative technology tools encourage sharing of information and offer residents and businesses a new way to interact with data

## Resources

**Like most local authorities across the county, we received less funding from central government whilst also experiencing major increases in demand for our services.**

We face ongoing, significant challenges in providing essential services to meet residents' needs within the level of resources we have available. This is made harder by a combination of increasing and more complex local demand, inflation and uncertainty over future government funding arrangements. This was taken to a whole new level of complexity and challenge in 2020 with the need to cope with the impact of COVID-19 locally.

Throughout this challenge our key driver has been the determination to make sure we invest in priorities that will make a tangible, positive difference locally. Our total net revenue expenditure for 2020/21 was £130.4 million. Significant additional investment was made available to

support our most vulnerable residents. Our approach throughout the pandemic has been to carefully prioritise our limited resources to areas of greatest need.

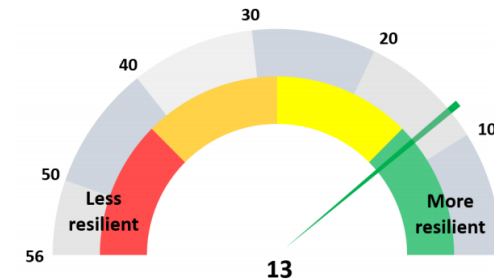
We developed a new Medium-Term Financial Strategy (2021/22 to 2025/26) to effectively manage the short- and medium-term challenges. The strategy has:

- clear ambitions developed with residents, businesses, and partners
- a firm commitment to deliver efficient, value for money services
- resources targeted towards the delivery of priority outcomes
- been carefully developed so we remain a financially stable, well run, and resilient organisation.

This clarity of focus provided a clear direction for the organisation and enabled the council to respond effectively to the huge health, economic and operational impact caused locally by COVID-19.

Our approach and evidence of our relative financial strength is illustrated independently by Chartered Institute of Public Finance and Accountancy's

(CIPFA's) recently published Financial Resilience Index for 2021. Southend's performance in CIPFA's Financial Resilience Index for 2021 is shown in the following graphic.



Southend is 13th out of 56 unitary authorities when ranked across the 16 indicators of financial stress within the Financial Resilience Index.

We are committed to ensuring the council remains financially stable and resilient for the future. Our new 'Getting to Know Your Business' programme, launched in 2020, is a key initiative for delivering this. The first phase of the programme helped to establish a baseline for all council services regarding costs, income generation potential, value for money and relative performance.

The council has an ambitious capital investment programme designed to create the right conditions to attract additional private sector investment into the local area and to directly benefit Southend's residents, businesses and future visitors. The level of planned investment is around £178.6 million over the next five years. In 2020/21 the council invested £71.9 million into capital schemes to continue to improve Southend as a place, including:

- purchase of the Victoria Shopping Centre
- development of Airport Business Park Southend
- investment in the Better Queensway project
- redevelopment of Delaware and Priory residential care homes
- school improvements and the provision of new school places
- housing acquisitions
- improvements to the town's highways
- Southend Pier schemes.

Despite the current challenges, the council is determined to build on the solid financial foundation we have worked so hard to create locally.

This will enable us to navigate the challenges and impact of a decade of austerity, the pandemic, and the unprecedented level of local demand for priority services.

By continuing to demonstrate strong leadership and proactive engagement with residents and communities, we want to take as much local control over our financial future as possible.

We believe that we are in a strong position to deliver our Southend 2050 ambition, local economic recovery and the best possible value for money services to our residents, businesses and visitors.





## Looking forward

**As we look towards Southend's future prosperity and recovery from the pandemic, it is important for us to recognise the impact and challenges COVID-19 has brought to the borough and wider world alike.**

We draw strength and learn from the resilient response of our communities and businesses and the innovative ways we have come together; whilst keeping in our hearts the loved ones who were sadly lost. Our ambition and tenacity remain unchanged and we will recover from these challenges.

The priorities and outcomes of Southend 2050 remain unchanged; but the impact of the pandemic means how we get there will be different to our original vision. Wherever possible, activity will be co-designed and co-delivered with residents and partners, requiring more innovative and effective stakeholder engagement.

We need to be able to adapt to quickly changing conditions, which has become a defining factor of the pandemic. The outcomes and roadmap timeline will reflect the council's priorities around COVID-19 recovery. Our focus for 2021/22 will also include:

- Green City and climate change commitments
- travel and transport considerations
- provision of more affordable housing
- an extra £3.6m investment in children's and adult social care.

Introduction of the Government's new UK Community Renewal Fund will provide up to £3 million of funding for Southend during 2021/22 to support recovery from the pandemic. This new fund aims to support people and communities most in need across the UK to pilot programmes and new approaches. Southend has been identified by the Government as a priority place. Local organisations in Southend can apply for a share of the £3 million funding which has been made available.

The council remains committed to using an Asset Based Community Development approach. This will

inform how we work with residents and stakeholders, and will revise our approach to leadership, management of assets, funding streams, commissioning, and workforce development. This approach will involve more joint working and sharing of resources, as well as the development of our locality approach. It will promote a more fluid and creative way for people to share their ideas on priorities and solutions, while also valuing and strengthening the more formal consultation processes. Post-pandemic it will be even more important to re-imagine the relationships and contacts with communities.

To further enhance our approach to community engagement and empowerment, the council is committed to investing into a new community builders' scheme. Community builders will be embedded into the heart of the community and will have conversations with residents about what matters to them. They will support early, preventative action by residents to help deliver on our Southend 2050 outcomes.



## **Future Ways of Working**

We will develop a Future Ways of Working framework for our workforce in 2021/22 to guide the prioritisation and delivery of Southend 2050 outcomes.

This will help us to:

- recover from the pandemic and to embrace new approaches and opportunities for collaboration with our partners
- sustain and increase the pace of change
- develop a new way of operating that delivers improved outcomes for our residents and communities at the best value, including social value

- become a modern council and an organisation that is a great place to work.

2020 brought some of the most extraordinary challenges any of us has ever seen, and we are proud of the resilience and creativity of our people, residents and businesses. We have come together and are stronger as a result. We are looking forward to new opportunities and a brighter Southend.

**SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME**

**Summary - programme to be delivered by the Council:**

	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Approved Capital Investment Programme - February 2021 Cabinet</b>	<b>63,168</b>	<b>68,544</b>	<b>40,219</b>	<b>10,343</b>	<b>9,178</b>	<b>5,663</b>	<b>197,115</b>
Carry Forwards	(10,965)	3,510	2,857	4,444	154	0	0
Accelerated Deliveries	5,511	(4,178)	(1,033)	(150)	(150)	0	0
Additions to the Programme	0	1,484	0	0	0	0	1,484
Schemes Removed from Programme	(12)	(365)	(66)	(504)	0	0	(947)
Virements	0	0	0	0	0	0	0
New External Funding	234	2,933	0	0	0	1,556	4,723
Transfer from 'Subject to Viable Business Case'	0	5,697	697	696	0	0	7,090
<b>Proposed Investment Programme - following amendments</b>	<b>57,936</b>	<b>77,625</b>	<b>42,674</b>	<b>14,829</b>	<b>9,182</b>	<b>7,219</b>	<b>209,465</b>

**Total budget for 2021/22 to 2025/26: 151,529**

**Summary - programme to be delivered by subsidiary companies and joint ventures:**

	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Approved Capital Investment Programme - February 2021 Cabinet</b>	<b>8,768</b>	<b>11,338</b>	<b>9,861</b>	<b>8,163</b>	<b>8,241</b>	<b>7,000</b>	<b>53,371</b>
Carry Forwards	(1,025)	368	108	166	383	0	0
Accelerated Deliveries	319	431	250	1,000	1,750	(3,750)	0
Additions to the Programme	0	0	0	0	0	0	0
Schemes Removed from Programme	0	0	0	0	0	0	0
Virements	0	0	0	0	0	0	0
New External Funding	0	0	0	0	0	0	0
Transfer from 'Subject to Viable Business Case'	0	4,700	7,500	7,000	0	0	19,200
<b>Proposed Investment Programme - following amendments</b>	<b>8,062</b>	<b>16,837</b>	<b>17,719</b>	<b>16,329</b>	<b>10,374</b>	<b>3,250</b>	<b>72,571</b>

**Total budget for 2021/22 to 2025/26: 64,509**

**Carry Forwards to Future Years - programme to be delivered by the Council**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Energy Efficiency Projects	(178)	(22)		200			0
Schools and Council Buildings Solar PV	(146)	(127)	200	73			0
ICT - Operational requirements		(333)	167	166			0
Housing and Development Pipeline Feasibility - GF	(44)	44					0
Community Capacity	(77)	77					0
Children's Residential Care Provision	(123)	123					0
Liquid Logic Portals	(3)	3					0
AHDC Short Breaks for Disabled Children	(64)		64				0
Transforming Care Housing	(139)		139				0
Chalkwell Hall Infants - G3 & G2 Flat Roof	(10)	10					0
Chalkwell Hall Juniors roofs	(1)	1					0
Eastwood Primary boiler	(90)	90					0
Eastwood Primary roof	(5)	5					0
Fairways Primary roof	(14)	14					0
Fairways Primary curtain walling	(86)	86					0
Future condition projects	(4)	4					0
Milton Hall Fire Alarm replacement (H&S)	(10)	10					0
West Leigh Infant Boiler	(7)	7					0
Expansion of 2 yr old Childcare Places	(3)	3					0
Prince Avenue Extended Nursery Provision	(111)	111					0
Airport Business Park (Including Local Growth Fund)	(546)	546					0
Airport Business Park - Acquisition	(36)	36					0
Victoria Centre	(262)	262					0
Southend Pier - Condition Works Surveyors	(54)	54					0
Southend Pier - Pier Entrance Enhancement	(1)	1					0
Southend Pier - Pier Head development Phase 1	(25)	25					0
Southend Pier - Prince George Extension (Phase Two)	(10)	(590)	600				0
Southend Pier - Replacement of Pier Trains	(118)	118					0
Southend Pier - Timber Outer Pier Head		(600)	600				0
Pier Pavilion Bar Conversion	(176)	176					0
Wheeled Sports Facility Central Southend Area	(12)	12					0
Allotments Water Supply Upgrade	(58)	58					0
Chalkwell Park and Priory Park Tennis Courts	(6)	6					0
Parks Feasibility and Options Appraisals	(24)	24					0
Replacement and Upgrade of Parks Furniture	(20)	20					0
Sidmouth Park - Replacement of Play Equipment	(8)	8					0
Southend Tree Policy Review - additional trees	(58)	58					0
Kiosks in Libraries	(75)	75					0
Branch Library Refurbishments	(45)	45					0
Cliffs Pavilion - Auditorium Air Handling Unit	(73)	73					0
Cliffs Pavilion - Chiller	(3)	3					0
Cliffs Pavilion - External Refurbishment works	(50)	50					0
Cliffs Pavilion - Power Supply Equipment	(40)	40					0
Central Museum Works	(96)	96					0
Cart and Wagon Shed	(148)	148					0
Make Southend Sparkle Initiative	(3)	3					0
Resorts Services Signage	(1)	1					0
CCTV Equipment Renewal	(248)	248					0
Improving Resilience of the Borough to Flooding from Extreme Weather Events	(35)	35					0
Sea Wall - Remedial Repairs	(39)	39					0
Footways and Carriageways Improvements	(6)						(6)
Footways Improvements		3					3
Carriageways Improvements		3					3
Junction Protection	(3)	3					0
Belton Way Highways Protection	(10)	10					0

**SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME**

Appendix 2

Traffic Signs Upgrade	(39)	39					0
Car Park Resurfacing	(150)	150					0
Improved Car Park Signage and Guidance Systems	(48)	48					0
Parking Signage Replacement	(60)	60					0
LTP (Integrated Transport block) - Bridge Strengthening	(115)	115					0
LTP (Integrated Transport block) - Better Networks	(51)	51					0
LTP (Integrated Transport block) - Traffic Management Schemes	(124)	124					0
LTP (Integrated Transport block) - Traffic Control Systems	(139)	139					0
LTP - Maintenance	(202)	202					0
LTP - Maintenance - Street Lighting	(29)	29					0
Extension of London Road Public Realm Improvement to Victoria Circus	(528)	528					0
Local Growth Fund - Southend Town Centre Interventions	(76)	76					0
HCA Progress Road	(15)	15					0
62 Avenue Road - demolition	(5)	5					0
Belfairs Park Restaurant/Golf Club Preventative Works	(4)	4					0
Civic Campus - Efficient Use of Space	(38)	38					0
Clearance and Fencing - Land off Sutton Road	(2)	2					0
SACC Access Control System	(2)	2					0
Cemetery - Ride on Mower	(30)	30					0
Crematorium - Urgent Structural Repairs to Chimney	(5)	5					0
Essential Crematorium/Cemetery Equipment	(1)	1					0
Pergola Walk Memorial Scheme	(7)	7					0
Fire Improvement Works	(79)	(132)	70	70	71		0
Data Centre	(15)	15					0
Employee Engagement Portal (Intranet)	(20)	20					0
HR Recruitment Contract Implementation	(44)	44					0
ICT - Technology Device Refresh	(542)	542					0
ICT - Application Transformation	(362)	362					0
ICT - Digital Enablement	(87)	87					0
ICT - Security & Resiliency	(67)	67					0
ICT - Stabilise the Estate	(97)	97					0
ICT - Core Application and Database Migration	(6)	6					0
ICT - Childrens and Adults Social Care - Implementation of ContrOCC modules	(120)	120					0
Replacement and Enhancement to Cash Receipting System	(5)	5					0
S106 23/04/2015 Hinguar and Saxon - public art contribution	(9)	9					0
S106 Ajax Works 0300130ful - landscaping maintenance	(1)	1					0
S106 Bellway Homes contribution from Hall Road Development	(63)	63					0
S106 Former College 1000225FUL - Tree Replacement	(11)	11					0
S106 Garrison Park Store	(1)	1					0
S106 Lifstan Way 0000273 Out - Open Space Maintenance	(3)	3					0
S106 North Shoebury Road 0301504out - Shoebury Park Maintenance	(3)	3					0
S106 Avenue Works 1401968AMDT - cycleway improvement	(1)	1					0
S106 Bellway Prittlebrook 1400943FULM - TRO Contribution	(3)	3					0
S106 Hinguar 1401672BC4M - highway contribution	(5)	5					0
CIL Ward NA – Eastwood Park – Tree planting	(1)	1					0
CIL Ward NA – Southchurch – Southchurch Speedwatch	(1)	1					0
CIL Ward NA – Thorpe – Street furniture improvement	(8)	8					0
CIL Ward NA – Westborough – Signposting	(1)	1					0
Housing Construction Scheme - Phase 2	(3)	3					0
Housing Construction Scheme - Phase 3	(38)	(1,260)	1,298				0
Housing Construction Scheme - Phase 4	(107)	(1,910)	886	1,048	83		0
Housing Construction Scheme - Modern Methods of Construction (MMC)	(175)	175					0
Housing Construction Scheme - Phase 5/6 feasibility (S106)	(38)	38					0
HRA Affordable Housing Acquisitions Programme	(730)	0	(976)	1,706			0
Next Steps Accommodation Programme	(3,123)	3,123					0
Housing and Development Pipeline Feasibility - HRA	(122)	122					0
Private Sector Housing Strategy - Empty Homes	(162)	81	81				0
Solar PV Projects	(100)	100					0
Civic Centre Boilers		(1,000)	1,000				0
Real Time Air Quality Measurement - Feasibility	(28)	28					0
Housing Construction Scheme - Land Assembly Fund (S106)	(500)	500					0
Housing Infrastructure Feasibility	(200)	200					0
<b>Total Carry Forwards - programme to be delivered by the Council</b>	<b>(10,965)</b>	<b>3,510</b>	<b>2,857</b>	<b>4,444</b>	<b>154</b>	<b>0</b>	<b>0</b>

**Carry Forwards to Future Years - programme to be delivered by subsidiary companies and joint ventures**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Bathroom Refurbishment	(23)	23					0
Central Heating	(84)	84					0
Environmental - H&S works	(231)	231					0
Roofs	(173)	173					0
Windows and Doors	(157)	157					0
Common Areas Improvement	(220)	220					0
Sprinkler System Installation Pilot	(10)	10					0
Energy Efficiency Measures	(127)	127					0
Environmental - H&S works - Decent Homes		(277)	(142)	57	362		0
Common Areas Improvement - Decent Homes		(380)	250	109	21		0
<b>Total Carry Forwards - programme to be delivered by subsidiary companies and joint ventures</b>	<b>(1,025)</b>	<b>368</b>	<b>108</b>	<b>166</b>	<b>383</b>	<b>0</b>	<b>0</b>

**SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME**

**Appendix 2**

**Accelerated Deliveries - programme to be delivered by the Council**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Disabled Facilities Grant	165	(165)					0
Mental Health Funding Stream	1	(1)					0
Delaware and Priory New Build	450	(450)					0
Chalkwell Hall Infants - New Classroom Demountables	40	(40)					0
School Improvement and Provision of School Places	40	(40)					0
Special Provision Capital Fund	45	(45)					0
Better Queensway - Programme Management	219	(219)					0
Housing Infrastructure Feasibility	8	(8)					0
Southend Pier - Bearing Refurbishment (Phase One)	110	(110)					0
Southend Pier - Condition Works Engineers	24	(24)					0
Southend Pier - Timber Outer Pier Head	8	(8)					0
Playground Gates	2	(2)					0
Relocation of Badger Sett	9	(9)					0
Shoebury Common Regeneration	14	(14)					0
Energy Improvements in Culture Property Assets	1	(1)					0
Security Measures	37	(37)					0
Zebra Crossing Surfacing Replacement	88	(88)					0
Emergency Active Travel Fund	49	(49)					0
Gas Works Car Park	135	(135)					0
A127 Growth Corridor (Bell Junction and A127 Essential Maintenance Works)	3,010	(3,010)					0
Southend Transport Model	87	(87)					0
Aviation Way Car Park	12	(12)					0
Futures Demolition	298	(298)					0
Civic Centre Boilers	18	(18)					0
Property Refurbishment Programme	562	(112)	(150)	(150)	(150)		0
Electronic Vehicle Projects	3	(3)					0
S106 Avenue Works 1401968AMDT - Public Art	2	(2)					0
Acquisition of tower block leaseholds - Queensway	74	809	(883)				0
<b>Total Accelerated Deliveries - programme to be delivered by the Council</b>	<b>5,511</b>	<b>(4,178)</b>	<b>(1,033)</b>	<b>(150)</b>	<b>(150)</b>	<b>0</b>	<b>0</b>

**Accelerated Deliveries - programme to be delivered by subsidiary companies and joint ventures**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Better Queensway - Loan to Joint Venture	250	500	250	1,000	1,750	(3,750)	0
HRA Disabled Adaptations - Major Adaptations	55	(55)					0
Balmoral Estate Improvement and Structural Works	14	(14)					0
<b>Total Accelerated Deliveries - programme to be delivered by subsidiary companies and joint ventures</b>	<b>319</b>	<b>431</b>	<b>250</b>	<b>1,000</b>	<b>1,750</b>	<b>(3,750)</b>	<b>0</b>

**Additions to the Programme - programme to be delivered by the Council**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Priority Works		464					464
Security Measures - High Street Bollards		1,020					1,020
<b>Total Additions to the Programme - programme to be delivered by the Council</b>	<b>0</b>	<b>1,484</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,484</b>

**Deletions from the Programme - programme to be delivered by the Council**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
CCTV Equipment Renewal		(3)	(66)				(69)
Queen Victoria statue - security fence	(1)						(1)
569 Prince Avenue	(8)						(8)
Westbarrow Car Park Protection	(1)						(1)
Prittlevell Chapel external lighting	(1)						(1)
Photon (Internet upgrade)	(1)						(1)
Housing Construction Scheme - Phase 4				(504)			(504)
LTP - Maintenance		(298)					(298)
LTP (Integrated Transport block) - Better Sustainable Transport		(39)					(39)
S106 3-5 High Street 1501496AMDT - affordable housing		(24)					(24)
S106 Bellway Prittlevell 1400943FULM - TRO Contribution		(1)					(1)
<b>Total Deletions from the Programme - programme to be delivered by the Council</b>	<b>(12)</b>	<b>(365)</b>	<b>(66)</b>	<b>(504)</b>	<b>0</b>	<b>0</b>	<b>(947)</b>

## Virements between schemes - programme to be delivered by the Council

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
ICT - Operational requirements		500					500
ICT - Application Transformation		(500)					(500)
Emergency Active Travel Fund Tranche 1		(742)					(742)
Emergency Active Travel Fund Tranche 2		742					742
Liquid Logic Portals	(37)						(37)
ICT - Childrens and Adults Social Care - Development of the Liquid Logic Case Management System	37						37
Coastal Defence (Shoebury Common Sea Defence Scheme)	2						2
Improving Resilience of the Borough to Flooding from Extreme Weather Events	(2)						(2)
Improvements to the Prittlebrook cycleway / footway	(3)						(3)
Improve Footway Condition Around Highway Trees	3						3
Town Centre Redevelopment Improvements - Highways (NPIF)	13						13
LTP - Maintenance	(13)						(13)
Housing Infrastructure Feasibility		8					8
Improving Resilience of the Borough to Flooding from Extreme Weather Events		(8)					(8)
Software Licencing		626					626
ICT - Application Transformation		(626)					(626)
LTP (Integrated Transport block) - Bridge Strengthening		(50)					(50)
LTP (Integrated Transport block) - Better Networks		50					50
Housing Construction Scheme - Phase 3			2,577	212			2,789
Housing Construction Scheme - Phase 4			(2,577)	(212)			(2,789)
Barons Court - BMS		6					6
Chalkwell Hall Infants - New Classroom Demountables		47					47
Chalkwell Hall Infants – G3 & G2 Flat Roof		(10)					(10)
Chalkwell Hall Juniors roofs		(1)					(1)
Chalkwell Junior - Lightning Protection		10					10
Earls Hall Primary heating		20					20
Earls Hall - Kitchen Boiler Room		100					100
Eastwood Primary boiler		(5)	60				55
Eastwood Primary roof		(5)					(5)
Eastwood Primary - Toilets/Paving/Timber Facia		30					30
Edwards Hall - Roofing		20					20
Fairways Primary roof		(14)					(14)
Fairways Primary curtain walling		14					14
Future condition projects		(370)	(160)				(530)
Heycroft - Fencing		20					20
Heycroft - Lighting and Fuse Boards		70					70
Heycroft - Lightning Protection		10					10
Leigh Primary - Lightning Protection		15					15
Leigh Primary - Window Replacement (inc radiators)		50	100				150
West Leigh Infant Boiler		(7)					(7)
<b>Virements already actioned</b>							
Priority Works	(160)	(517)					(677)
Futures Demolition	166	464					630
Southchurch Car Park - Land Contamination Works	(6)						(6)
8 Smallholdings boiler replacement		3					3
Southend Dive Pool Flooring - emergency works		25					25
Victoria Circus - void remediation works		25					25
<b>Total Virements between schemes - programme to be delivered by the Council</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Virements between schemes - programme to be delivered by subsidiary companies and joint ventures

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Kitchen Refurbishments	253						253
Rewiring	161						161
Common Areas Improvement	(414)						(414)
<b>Total Virements between schemes - programme to be delivered by subsidiary companies and joint ventures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## New External Funding - programme to be delivered by the Council

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Housing Construction Scheme - Land Assembly Fund (S106)		700					700
Highways Maintenance - Potholes		773					773
LTP - Maintenance		193					193
High Needs Provision		1,062					1,062
Disabled Facilities Grant		165				1,556	1,721
Community Capacity	141						141
Town Centre Redevelopment Improvements - Highways (NPIF)	93						93
Resilience Innovation Programme		40					40
<b>Total New External Funding - programme to be delivered by the Council</b>	<b>234</b>	<b>2,933</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,556</b>	<b>4,683</b>

**SUMMARY OF CHANGES TO THE CAPITAL INVESTMENT PROGRAMME**

**Transfers from 'Subject to Viable Business Case' section to main Capital Investment Programme - programme to be delivered by the Council**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Footways Improvements		3,000					3,000
Carriageways Improvements		2,000					2,000
ICT - Operational requirements		697	697	696			2,090
<b>Total Transfers from 'Subject to Viable Business Case' Section - programme to be delivered by the Council</b>	<b>0</b>	<b>5,697</b>	<b>697</b>	<b>696</b>	<b>0</b>	<b>0</b>	<b>7,090</b>

**Transfers from 'Subject to Viable Business Case' section to main Capital Investment Programme - programme to be delivered by subsidiary companies and joint ventures**

Scheme	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Better Queensway Energy Centre		4,200					4,200
Housing Infrastructure Funding		500	7,500	7,000			15,000
<b>Total Transfers from 'Subject to Viable Business Case' Section - programme to be delivered by subsidiary companies and joint ventures</b>	<b>0</b>	<b>4,700</b>	<b>7,500</b>	<b>7,000</b>	<b>0</b>	<b>0</b>	<b>19,200</b>

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**Proposed Capital Investment Programme 2020/21 to 2025/26 and future years - Summary by Area of Investment**

Appendix 3

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
General Fund Housing	559	709	842	843	500	3,219	6,672
Social Care	5,968	6,487	203	-	-	-	12,658
Schools	4,866	3,231	900	300	262	-	9,559
Enterprise and Regeneration	13,124	8,106	8,500	-	-	-	29,730
Southend Pier	3,958	5,790	7,500	1,250	1,250	-	19,748
Culture and Tourism	1,591	1,634	-	-	-	-	3,225
Community Safety	199	3,427	-	-	-	-	3,626
Highways and Infrastructure	16,744	29,384	5,213	4,495	4,000	4,000	63,836
Works to Property	2,929	3,075	5,640	3,020	2,021	-	16,685
Energy Saving	12	433	997	709	-	-	2,151
ICT	3,918	4,741	864	862	-	-	10,385
S106/S38/CIL	61	456	35	35	166	-	753
<b>TOTAL CAPITAL INVESTMENT PROGRAMME - GENERAL FUND</b>	<b>53,929</b>	<b>67,473</b>	<b>30,694</b>	<b>11,514</b>	<b>8,199</b>	<b>7,219</b>	<b>179,028</b>

Total budget for 2021/22 to 2025/26: 125,099

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Council Housing New Build Programme	138	2,925	9,980	709	83	-	13,835
Council Housing Acquisitions Programme	3,869	7,227	2,000	2,606	900	-	16,602
<b>TOTAL CAPITAL INVESTMENT PROGRAMME - HRA</b>	<b>4,007</b>	<b>10,152</b>	<b>11,980</b>	<b>3,315</b>	<b>983</b>	<b>0</b>	<b>30,437</b>

Total budget for 2021/22 to 2025/26: 26,430

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>TOTAL CAPITAL INVESTMENT PROGRAMME - TO BE DELIVERED BY THE COUNCIL</b>	<b>57,936</b>	<b>77,625</b>	<b>42,674</b>	<b>14,829</b>	<b>9,182</b>	<b>7,219</b>	<b>209,465</b>

Total budget for 2021/22 to 2025/26: 151,529

Scheme to be delivered by the Subsidiary Companies or Joint Ventures	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>PROPOSED CAPITAL INVESTMENT PROGRAMME - TO BE DELIVERED BY SUBSIDIARY COMPANIES OR JOINT VENTURES</b>	<b>8,062</b>	<b>16,837</b>	<b>17,719</b>	<b>16,329</b>	<b>10,374</b>	<b>3,250</b>	<b>72,571</b>

Total budget for 2021/22 to 2025/26: 64,509

## Proposed Capital Investment Programme 2020/21 to 2025/26 and future years - Summary by Strategic and Other Schemes

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Strategic schemes</b>							
Airport Business Park (including Local Growth Fund)	1,454	5,647	7,800	-	-	-	14,901
Airport Business Park - Acquisition	164	1,036	-	-	-	-	1,200
Better Queensway - Programme Management	860	611	-	-	-	-	1,471
Victoria Centre	10,638	762	500	-	-	-	11,900
Delaware and Priory New Build	5,149	6,250	-	-	-	-	11,399
School Improvement and Provision of School Places	3,729	560	-	-	-	-	4,289
Southend Pier schemes	3,958	5,790	7,500	1,250	1,250	-	19,748
ICT schemes	3,918	4,741	864	862	-	-	10,385
Footways and Carriageways Schemes	3,448	11,331	4,588	4,200	4,000	4,000	31,567
Parking Schemes	1,139	915	200	100	-	-	2,354
Highways and Infrastructure - Local Growth Fund and Local Transport Plan Schemes	10,987	10,227	-	-	-	-	21,214
<b>Total Strategic - General Fund</b>	<b>45,444</b>	<b>47,870</b>	<b>21,452</b>	<b>6,412</b>	<b>5,250</b>	<b>4,000</b>	<b>130,428</b>
HRA Affordable Housing Acquisitions Programme	2,770	3,000	2,000	1,706	-	-	9,476
Next Steps Accommodation Programme	775	3,123	-	-	-	-	3,898
Council Housing New Build Programme	138	2,925	9,980	709	83	-	13,835
Acquisition of tower block leaseholds - Queensway	274	809	-	900	900	-	2,883
<b>Total Strategic - HRA</b>	<b>3,957</b>	<b>9,857</b>	<b>11,980</b>	<b>3,315</b>	<b>983</b>	<b>-</b>	<b>30,092</b>
<b>Total Strategic - GF and HRA</b>	<b>49,401</b>	<b>57,727</b>	<b>33,432</b>	<b>9,727</b>	<b>6,233</b>	<b>4,000</b>	<b>160,520</b>
<b>Other HRA Schemes</b>	<b>8,535</b>	<b>19,898</b>	<b>9,242</b>	<b>5,102</b>	<b>2,949</b>	<b>3,219</b>	<b>48,945</b>
<b>TOTAL CAPITAL INVESTMENT PROGRAMME - TO BE DELIVERED BY THE COUNCIL</b>	<b>57,936</b>	<b>77,625</b>	<b>42,674</b>	<b>14,829</b>	<b>9,182</b>	<b>7,219</b>	<b>209,465</b>

Total budget for 2021/22 to 2025/26:

151,529

Scheme to be delivered by the Subsidiary Companies or Joint Ventures	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
Council Housing Refurbishment	6,562	10,387	8,219	6,829	7,124	-	39,121
Better Queensway - Loan to Joint Venture	1,500	1,750	2,000	2,500	3,250	3,250	14,250
Housing Infrastructure Funding	-	500	7,500	7,000	-	-	15,000
Better Queensway Energy Centre	-	4,200	-	-	-	-	4,200
<b>PROPOSED CAPITAL INVESTMENT PROGRAMME - TO BE DELIVERED BY SUBSIDIARY COMPANIES OR JOINT VENTURES</b>	<b>8,062</b>	<b>16,837</b>	<b>17,719</b>	<b>16,329</b>	<b>10,374</b>	<b>3,250</b>	<b>72,571</b>

Total budget for 2021/22 to 2025/26:

64,509

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>General Fund Housing</b>							
Disabled Facilities Grant	465	500	500	500	500	3,219	5,684
Private Sector Housing Strategy - Empty Homes	-	100	342	343			785
12a Ceylon Road Refurbishment Works	38						38
Housing and Development Pipeline Feasibility - GF	56	109					165
<b>Total General Fund Housing</b>	<b>559</b>	<b>709</b>	<b>842</b>	<b>843</b>	<b>500</b>	<b>3,219</b>	<b>6,672</b>
<b>Social Care</b>							
Community Capacity	198	77					275
Children's Residential Care Provision	572	123					695
Liquid Logic Portals	25	6					31
AHDC Short Breaks for Disabled Children	-	-	64				64
Mental Health Funding Stream	1	31					32
Transforming Care Housing	23	-	139				162
Delaware and Priory New Build	5,149	6,250					11,399
<b>Total Social Care</b>	<b>5,968</b>	<b>6,487</b>	<b>203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,658</b>
<b>Schools</b>							
Barons Court - BMS		6					6
Chalkwell Hall Infants - New Classroom Demountables	45	530					575
Chalkwell Hall Infants – G3 & G2 Flat Roof	10	-					10
Chalkwell Junior - Lightning Protection		10					10
Earls Hall - Kitchen Boiler Room		100					100
Earls Hall Primary heating		20					20
Eastwood Primary boiler	60	85	60				205
Eastwood Primary roof	20	-					20
Eastwood Primary - Toilets/Paving/Timber Fascia		30					30
Edwards Hall - Roofing		20					20
Fairways Primary curtain walling/roofing/radiators	-	100					100
Future condition projects	105	134	340				579
Heycroft - Fencing		20					20
Heycroft - Lighting and Fuse Boards		70					70
Heycroft - Lightning Protection		10					10
Leigh Primary - Lightning Protection		15					15
Leigh Primary - Window Replacement (including radiators)		50	100				150
Milton Hall - Fire Barriers	-	10					10
West Leigh Infant Boiler	3	-					3
Devolved Formula Capital	100	100	100				300
Expansion of 2 yr old Childcare Places	-	3					3
High Needs Provision		1,062					1,062
Prince Avenue Extended Nursery Provision	669	111					780
School Improvement and Provision of School Places	3,729	560					4,289
Special Provision Capital Fund	125	185	300	300	262		1,172
<b>Total Schools</b>	<b>4,866</b>	<b>3,231</b>	<b>900</b>	<b>300</b>	<b>262</b>	<b>-</b>	<b>9,559</b>
<b>Enterprise and Regeneration</b>							
Airport Business Park (including Local Growth Fund)	1,454	5,647	7,800				14,901
Airport Business Park - Acquisition	164	1,036					1,200
Better Queensway - Programme Management	860	611					1,471
Housing Infrastructure Feasibility	8	50	200				258
Victoria Centre	10,638	762	500				11,900
<b>Total Enterprise and Regeneration</b>	<b>13,124</b>	<b>8,106</b>	<b>8,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,730</b>
<b>Southend Pier</b>							
Southend Pier - Bearing Refurbishment (Phase One)	1,110	846					1,956
Southend Pier - Condition Works Engineers	145	1,226	1,250	1,250	1,250		5,121
Southend Pier - Condition Works Surveyors	546	158					704
Southend Pier - Pier Entrance Enhancement	-	1					1
Southend Pier - Pier Head development Phase 1	-	1,200					1,200
Southend Pier - Pier Pavilion Platform Detailed Design (Gateway Review One)	3						3
Southend Pier - Prince George Extension (Phase Two)	40	568	1,608				2,216
Southend Pier - Replacement of Pier Trains	1,882	926					2,808
Southend Pier - Timber Outer Pier Head	208	553	4,642				5,403
Pier Pavilion Bar Conversion	24	312					336
<b>Total Southend Pier</b>	<b>3,958</b>	<b>5,790</b>	<b>7,500</b>	<b>1,250</b>	<b>1,250</b>	<b>-</b>	<b>19,748</b>

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Culture and Tourism</b>							
Southend Cliffs - Replacement of Handrails	15						15
Wheeled Sports Facility Central Southend Area	17	12					29
Allotments Water Supply Upgrade	27	58					85
Chalkwell Park and Priory Park Tennis Courts	14	23					37
Parks Feasibility and Options Appraisals	-	24					24
Playground Gates	2	118					120
Relocation of Badger Sett	9	41					50
Replacement and Upgrade of Parks Furniture	39	20					59
Shoebury Common Regeneration	64	171					235
Sidmouth Park - Replacement of Play Equipment	42	8					50
Southend Tree Policy Review - additional trees	32	115					147
Kiosks in Libraries	65	75					140
Branch Library Refurbishments	54	143					197
Cliffs Pavilion – Auditorium Air Handling Unit	21	94					115
Cliffs Pavilion – Boiler Flues	8						8
Cliffs Pavilion – Chiller	168	3					171
Cliffs Pavilion - External Refurbishment works	-	50					50
Cliffs Pavilion Refurbishment and Remodelling – design and specification		333					333
Cliffs Pavilion - Power Supply Equipment	196	40					236
Palace Theatre - Power Supply Equipment	35						35
Central Museum Works	101	96					197
Cart and Wagon Shed	676	148					824
Energy Improvements in Culture Property Assets	1	23					24
"Make Southend Sparkle" Initiative	-	13					13
Southend Dive Pool Flooring - Emergency Works		25					25
Resorts Services Signage	5	1					6
<b>Total Culture and Tourism</b>	<b>1,591</b>	<b>1,634</b>	-	-	-	-	<b>3,225</b>
<b>Community Safety</b>							
CCTV Equipment Renewal	152	2,034	-				2,186
Security Measures	47	1,393					1,440
<b>Total Community Safety</b>	<b>199</b>	<b>3,427</b>	-	-	-	-	<b>3,626</b>
<b>Highways and Infrastructure</b>							
<u>Cliff Stabilisation schemes:</u>							
- Cliff Slips – Ground Investigation Works		400					400
- Cliff Slip Investigation Works	51						51
<u>Flood Prevention and Resilience schemes:</u>							
- Coastal Defence (Shoebury Common Sea Defence Scheme)	78	41	-				119
- Coastal Defence – Bastion at Westcliff		200					200
- Improving Resilience of the Borough to Flooding from Extreme Weather Events	38	152					190
- Flood Prevention Works	7	-	-				7
- Resilience Innovation Programme		40					40
- Sea Wall - Remedial Repairs	8	39					47
<u>Footways and Carriageways schemes:</u>							
- Footways and Carriageways Improvements	2,957	-					2,957
- Footways Improvements		6,003	2,500	2,500	2,500	2,500	16,003
- Carriageways Improvements		4,003	1,500	1,500	1,500	1,500	10,003
- Highways Maintenance - Potholes	83	773					856
- Junction Protection	22	340	288				650
- Zebra Crossing Surfacing Replacement	188	62	150	200			600
- Improvements to the Prittlebrook cycleway / footway	45						45
- Improve Footway Condition Around Highway Trees	153	150	150				453
<u>Highways Infrastructure schemes:</u>							
- Street Lighting Infills	131	125	125				381
- Belton Way Highways Protection	40	3,200	-				3,240
- Bridge Strengthening - Challenge Fund	-	949	-				949
- Town Centre Redevelopment Improvements - Highways (NPIF)	156						156
- Emergency Active Travel Fund Tranche 1	149	141					290
- Emergency Active Travel Fund Tranche 2		742					742
- Traffic Signs Upgrade	1	294	100	100			495
- Vehicle Restraint Replacement	220	175					395
- Victoria Circus - void remediation works		25					25

**Proposed Capital Investment Programme 2020/21 to 2025/26 and future years**

**Appendix 3**

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Parking schemes:</b>							
- Car Park Improvements	45	160	100	100			405
- Car Park Resurfacing	-	400	100				500
- Improved Car Park Signage and Guidance Systems	58	155					213
- Gas Works Car Park	465	50					515
- Parking Signage Replacement	30	150					180
- Southchurch Car Park	514						514
- Southchurch Car Park - Land Contamination Works	27						27
<b>Local Transport Plan schemes:</b>							
- LTP (Integrated Transport block) - Bridge Strengthening	457	365					822
- LTP (Integrated Transport block) - Better Sustainable Transport	749	411					1,160
- LTP (Integrated Transport block) - Better Networks	565	526					1,091
- LTP (Integrated Transport block) - Traffic Management Schemes	276	524					800
- LTP (Integrated Transport block) - Traffic Control Systems	248	265					513
- LTP - Maintenance	689	797					1,486
- LTP - Maintenance - Street Lighting	175	150					325
<b>Local Growth Fund schemes:</b>							
- A127 Growth Corridor (Bell Junction and A127 Essential Maintenance Works)	6,282	3,919					10,201
- Extension of London Road Public Realm Improvement to Victoria Circus	1,472	1,844					3,316
- Local Growth Fund - Southend Town Centre Interventions	74	1,426					1,500
<b>Other Transport schemes:</b>							
- HCA Progress Road	-	15					15
- Southend Transport Model	291	373	200	95			959
<b>Total Highways and Infrastructure</b>	<b>16,744</b>	<b>29,384</b>	<b>5,213</b>	<b>4,495</b>	<b>4,000</b>	<b>4,000</b>	<b>63,836</b>
<b>Works to Property</b>							
62 Avenue Road - demolition	-	44					44
5 Brunel Road - Hoarding	6						6
569 Prince Avenue	11						11
Roof Repairs to Old Beecroft Art Gallery	4						4
Aviation Way Car Park	12	388					400
Belfairs Park Restaurant/Golf Club Preventative Works	50	4					54
Civic Campus - Efficient Use of Space	95	152	100				347
Clearance and Fencing - Land off Sutton Road	-	2					2
Futures Demolition	862	216					1,078
Garons Under Floor Heating	32						32
SACC Access Control System	12	2					14
Seaways - HCA Condition Funding	-	170					170
SMAC Eastern Esplanade Slipway	-	27					27
Westbarrow Car Park Protection	12						12
Cemetery - Ride on Mower	-	30					30
Cemetery and Crematorium Road and Path Resurfacing	14						14
Crematorium - Urgent Structural Repairs to Chimney	10	5					15
Crematorium Refurbishment			2,700				2,700
Cremator Relining	74						74
Essential Crematorium/Cemetery Equipment	-	1					1
Pergola Walk Memorial Scheme	-	7					7
Civic Centre Boilers	46	82	121	1,000			1,249
Public Toilet Provision	-	-	699				699
Fire Improvement Works	321	750	820	820	821		3,532
Property Refurbishment Programme	1,329	648	600	600	600		3,777
Prittlewell Chapel external lighting	19						19
8 Smallholdings boiler replacement	-	3					3
Civic Plant Room, Hot Water & Heating	20						20
Priority Works	-	544	600	600	600		2,344
<b>Total Works to Property</b>	<b>2,929</b>	<b>3,075</b>	<b>5,640</b>	<b>3,020</b>	<b>2,021</b>	<b>-</b>	<b>16,685</b>
<b>Energy Saving</b>							
Energy Efficiency Projects	2	155	369	200			726
Priory Park Workshop Lighting	5						5
Real Time Air Quality Measurement - Feasibility	2	28	28				58
Solar PV Projects	-	100	400	436			936
Schools and Council Buildings Solar PV	-	73	200	73			346
Electronic Vehicle Projects	3	77					80
<b>Total Energy Saving</b>	<b>12</b>	<b>433</b>	<b>997</b>	<b>709</b>	<b>-</b>	<b>-</b>	<b>2,151</b>

Proposed Capital Investment Programme 2020/21 to 2025/26 and future years

Appendix 3

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>ICT</b>							
Data Centre	108	15					123
Employee Engagement Portal (Intranet)	-	20					20
HR Recruitment Contract Implementation	4	44					48
N3 Connectivity in Civic Building	-	39					39
ICT - Technology Device Refresh	1,605	692	-				2,297
ICT - Application Transformation	260	964	-	-			1,224
ICT - Digital Enablement	73	448	-				521
ICT - Security & Resiliency	136	257	-				393
ICT - Stabilise the Estate	1,491	520	-				2,011
ICT - Core Application and Database Migration	13	6					19
ICT - Childrens and Adults Social Care - Development of the Liquid Logic Case Management System	119						119
ICT - Childrens and Adults Social Care - Implementation of ContrOCC modules	-	241					241
ICT – Cyber Security/Public Services Network	2						2
ICT - Operational requirements		864	864	862			2,590
Photon (Internet upgrade)	19						19
Replacement and Enhancement to Cash Receiving System	26	5					31
Software Licencing	62	626					688
<b>Total ICT</b>	<b>3,918</b>	<b>4,741</b>	<b>864</b>	<b>862</b>	<b>-</b>	<b>-</b>	<b>10,385</b>
<b>S106/S38/CIL</b>							
S106 3-5 High Street 1501496AMDT - affordable housing	-	-					-
S106 23/04/2015 Hinguar and Saxon - public art contribution	4	9					13
S106 Ajax Works 0300130ful - landscaping maintenance	-	2	1	1	2		6
S106 Avenue Works 1401968AMDT - Public Art	2	13					15
S106 Bellway Homes contribution from Hall Road Development	-	63					63
S106 Former Balmoral 1400914FULM – public art contribution	-	1					1
S106 Former College 1000225FUL - Tree Replacement	-	11					11
S106 Garrison 0000777 Deposit - 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	1	7	4	4	62		78
S106 North Shoebury Road 0301504out - Shoebury Park Enhancement	-	25					25
S106 North Shoebury Road 0301504out - Shoebury Park Maintenance	27	33	30	30	102		222
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	-	2					2
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 Seec 0200500ful - Highway Works	-	104					104
S106 Univ H-Way0401561ful	1	2					3
S106 Lidl Highway S38	17						17
S106 Lidl Highway S38 – Bond	1						1
S38/S278 Airport 0901960 Fulm	-	26					26
S38 Bellway Homes 14/00943/fulm	-	49					49
S78 Bellway Homes 14/00943/fulm	-	8					8
S38 Fossetts Farm Bridleway	-	1					1
CIL Ward NA – Milton – Milton Park improvements	-	2					2
CIL Ward NA – Milton – Park Street replacement bollards	-	1					1
CIL Ward NA – Eastwood Park – Tree planting	-	1					1
CIL Ward NA – Southchurch – Southchurch Speedwatch	-	1					1
CIL Ward NA – Thorpe – Street furniture improvement	-	8					8
CIL Ward NA - Victoria - Community Mini Bus	8						8
CIL Ward NA – Westborough – Signposting	-	1					1
<b>Total S106/S38/CIL</b>	<b>61</b>	<b>456</b>	<b>35</b>	<b>35</b>	<b>166</b>	<b>-</b>	<b>753</b>
<b>TOTAL PROPOSED CAPITAL INVESTMENT PROGRAMME - GENERAL FUND</b>	<b>53,929</b>	<b>67,473</b>	<b>30,694</b>	<b>11,514</b>	<b>8,199</b>	<b>7,219</b>	<b>179,028</b>

Total General Fund budget for 2021/22 to 2025/26:

125,099

**Proposed Capital Investment Programme 2020/21 to 2025/26 and future years**

**Appendix 3**

Scheme to be delivered by the Council	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Council Housing New Build Programme</b>							
Housing Construction Scheme - Phase 2	37	3					40
Housing Construction Scheme - Phase 3	55	1,016	6,323	285			7,679
Housing Construction Scheme - Phase 4	14	30	2,343	424	83		2,894
Housing Construction Scheme - Modern Methods of Construction (MMC)	25	1,170	582				1,777
Housing Construction Scheme - Phase 5/6 feasibility (S106)	7	38					45
Housing Construction Scheme - Land Assembly Fund (S106)	-	668	732	-			1,400
<b>Total Council Housing New Build Programme</b>	<b>138</b>	<b>2,925</b>	<b>9,980</b>	<b>709</b>	<b>83</b>	<b>-</b>	<b>13,835</b>
<b>Council Housing Acquisitions Programme</b>							
HRA Affordable Housing Acquisitions Programme	2,770	3,000	2,000	1,706			9,476
Next Steps Accommodation Programme	775	3,123					3,898
Housing and Development Pipeline Feasibility - HRA	50	295					345
Acquisition of tower block leaseholds - Queensway	274	809	-	900	900		2,883
<b>Total Council Housing Acquisitions Programme</b>	<b>3,869</b>	<b>7,227</b>	<b>2,000</b>	<b>2,606</b>	<b>900</b>	<b>-</b>	<b>16,602</b>
<b>TOTAL PROPOSED CAPITAL INVESTMENT PROGRAMME - HRA</b>	<b>4,007</b>	<b>10,152</b>	<b>11,980</b>	<b>3,315</b>	<b>983</b>	<b>0</b>	<b>30,437</b>

Total HRA budget for 2021/22 to 2025/26: **26,430**

	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>COUNCIL'S PROPOSED CAPITAL INVESTMENT PROGRAMME - GENERAL FUND AND HRA</b>	<b>57,936</b>	<b>77,625</b>	<b>42,674</b>	<b>14,829</b>	<b>9,182</b>	<b>7,219</b>	<b>209,465</b>

Total budget for 2021/22 to 2025/26: **151,529**

Scheme to be delivered by the Subsidiary Companies or Joint Ventures	2020/21 Budget £000	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 and future years Budget £000	Total Budget (all years) £000
<b>Council Housing Refurbishment - delivered by South Essex Homes Limited</b>							
Bathroom Refurbishment	72	169	102	96	105		544
Central Heating	1,519	829	201	109	93		2,751
Environmental - H&S works	582	574	1,132	1,133	1,134		4,555
Kitchen Refurbishments	523	669	971	616	972		3,751
Rewiring	269	809	273	380	404		2,135
Roofs	529	853	961	1,074	1,040		4,457
Windows and Doors	597	1,064	1,152	1,064	1,013		4,890
Common Areas Improvement	1,880	2,002	1,587	1,587	1,587		8,643
HRA - SBC Buybacks Refurbishment		324					324
Sprinkler System Installation Pilot	-	496					496
Tower Blocks Boroughwide Annunciation System		270					270
HRA Disabled Adaptations - Major Adaptations	455	715	770	770	776		3,486
Sheltered Housing DDA works	-		345				345
Balmoral Estate Improvement and Structural Works	114	1,486	725				2,325
Energy Efficiency Measures	22	127					149
<b>Total Council Housing Refurbishment</b>	<b>6,562</b>	<b>10,387</b>	<b>8,219</b>	<b>6,829</b>	<b>7,124</b>	<b>-</b>	<b>39,121</b>
<b>Enterprise and Regeneration - delivered by Porters Place Southend-on-Sea LLP</b>							
Better Queensway - Loan to Joint Venture	1,500	1,750	2,000	2,500	3,250	3,250	14,250
Housing Infrastructure Funding	-	500	7,500	7,000			15,000
Better Queensway Energy Centre		4,200					4,200
<b>Total Enterprise and Regeneration</b>	<b>1,500</b>	<b>6,450</b>	<b>9,500</b>	<b>9,500</b>	<b>3,250</b>	<b>3,250</b>	<b>33,450</b>
<b>PROPOSED CAPITAL INVESTMENT PROGRAMME - TO BE DELIVERED BY SUBSIDIARY COMPANIES OR JOINT VENTURES</b>	<b>8,062</b>	<b>16,837</b>	<b>17,719</b>	<b>16,329</b>	<b>10,374</b>	<b>3,250</b>	<b>72,571</b>

Total budget for 2021/22 to 2025/26: **64,509**

**Proposed Capital Investment Programme 2020/21 to 2025/26 and future years - Schemes subject to viable business cases or grant re-profiling**

<b>General Fund Schemes Subject to Viable Business Cases</b>	<b>2021/22 Budget £000</b>	<b>2022/23 Budget £000</b>	<b>2023/24 Budget £000</b>	<b>2024/25 Budget £000</b>	<b>2025/26 and future years Budget £000</b>	<b>Total Budget (all years) £000</b>
Footways Improvements	0	4,000	4,000	4,000	4,000	16,000
Carriageways Improvements	0	2,000	2,000	2,000	2,000	8,000
Tree Planting						-
Better Queensway - Additional Affordable Housing						10,000
Better Queensway Housing and Commerical Property acquisitions						19,925
Regeneration Pipeline Schemes						-
Strategic and Regeneration Acquisitions						10,380
Private Sector Housing Strategy						785
ICT - Operational requirements						-
Coastal Defence						-
Cliffs Stabilisation						-
Shoebury Health Centre						-
East Beach Masterplan						-
Town Centre and Seafront Security Works						-
Civic Centre Campus Masterplan						-
Cliffs Pavilion Refurbishment and Remodelling						-
Seafront Illuminations						-
Town Centre Masterplan (including parking provision)						-
Museums Collection Store						-
Will be profiled across the years as and when viable business cases are agreed						
<b>TOTAL SCHEMES SUBJECT TO VIABLE BUSINESS CASES (plus investment yet to be costed):</b>						<b>65,090</b>



# **Infrastructure Funding Statement**

**Reported Year**

**1 April 2020 to 31 March 2021**

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Appendix 1: Southend 2050 Outcomes

## Tables

[Summary Table 1: Community Infrastructure Levy \(CIL\) Funds 2020 to 2021](#)

[Summary Table 2: Section 106 \(S.106\) Planning Obligation Funds 2020 to 2021](#)

[Table 1: Total CIL Summary](#)

[Table 2: Details of CIL Ward Neighbourhood Allocations](#)

[Figure 1: CIL Ward Neighbourhood Allocations by 2050 Outcomes](#)

[Table 3: Details of S.106 income received to date in financial year 2020 to 2021 \(as at 31 March 2021\)](#)

[Figure 2: Contribution of S.106 income received to achieving 2050 Outcomes](#)

[Table 4: Details of S.106 expenditure in financial year 2020 to 2021](#)

[Figure 3: S.106 expenditure by 2050 Outcomes](#)

[Table 5: Details of S.106 financial contributions allocated to projects \(but not yet spent\) in financial year 2020 to 2021](#)

[Table 6: Details of planning obligations entered into during the reported year 2020 to 2021](#)

## Photographs

Image 1: xxx

Image 2: xxx

# 1. Introduction

Local authorities are required to publish an annual infrastructure funding statement (IFS) providing details of developer contributions to infrastructure<sup>1</sup> from the Community Infrastructure Levy (CIL)<sup>2</sup> and Section 106 (S.106) planning obligations<sup>3</sup>.

Southend-on-Sea Borough Council became a CIL Charging Authority, and commenced CIL charging, in July 2015; and has been securing developer contributions through planning obligations since the introduction of Section 106 of The Town and Country Planning Act 1990 (as amended).

For the purpose of this IFS, the Reported Year is the financial year from 1 April 2020 to 31 March 2021.

The COVID-19 pandemic has had a significant impact on Community Infrastructure Levy (CIL) and Section 106 planning obligation (S106) receipts and expenditure in 2020 to 2021.

Further information regarding CIL and S.106 planning obligations can be found on the [Council's website](#) or obtained from the [Planning Portal](#) or the Government's online [Planning Practice Guidance](#).

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<sup>1</sup> Regulation 121A of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended). The matters included in this IFS reflect the requirements set out in Schedule 2 of the regulations.

<sup>2</sup> The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool for local authorities to use to help them deliver the infrastructure needed to support development in their area.

<sup>3</sup> Planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as S.106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development.

## 2. Executive Summary

### ▼ Summary Table 1: Community Infrastructure Levy (CIL) Funds 2020 to 2021

Reported Year 2020 to 2021	Total value of CIL set out in all Demand Notices issued in the reported year	£324,457.00
	Total amount of CIL receipts carried over from previously reported years	£1,548,586.05
	Total amount of CIL receipts in reported year	£484,436.65
	Total amount of CIL expenditure in reported year	£31,665.27
	Total refunds <sup>4</sup> in reported year	£19,221.70
	Total amount transferred to other organisations in reported year	£2,558.04
	Total amount of CIL allocated but unspent in reported year	£45,215.02
	<b>Total amount of CIL collected in any year unspent at the end of reported year</b>	<b>£1,934,362.67</b>

### ▼ Summary Table 2: Section 106 (S.106) Planning Obligation Funds 2020 to 2021<sup>5</sup>

Reported Year 2020 to 2021	Total amount of money to be provided under any planning obligations which were entered into during reported year <sup>6</sup>	tbc
	Total amount of money under any planning obligations carried over from previously reported years which had not been allocated and was available to spend at the start of reported year <sup>7</sup>	£1,736,816.96
	Total amount of money under any planning obligations carried over from previously reported years which was allocated but not spent at the start of the reported year	£1,450,000.00
	Total amount of money under any planning obligations which was received in reported year	£908,192.31
	Total amount of money under any planning obligations which was spent in reported year	£43,105.50
	Total amount of money under any planning obligations transferred to other organisations in reported year	£0.00
	Total amount of money under any planning obligations which was allocated but not spent at the end of the reported year	£2,325,106.42
	<b>Total amount of money under any planning obligations unspent at the end of reported year</b>	<b>£1,726,797.35</b>

<sup>4</sup> Refunds may be given pursuant to CIL Regulation 74A or 74B (Abatement) or 75 (Overpayment).

<sup>5</sup> Figures correct at time of preparation of this report but may be subject to adjustments.

<sup>6</sup> This figure relates to either development that has yet to commence or implemented schemes for which the due date for contributions has not yet been reached i.e. the contributions have not been received and cannot be guaranteed to be received. The figure cannot be confirmed as the developments concerned included an outline planning permission, details of which have yet to be agreed.

<sup>7</sup> Update to figure stated in the IFS for 2019/20, which was stated as £1,745,205.39.

### 3. Community Infrastructure Levy (CIL) contributions for 2020 to 2021

#### 3.1 CIL Funding Summary

Table 1 sets out the CIL financial summary for 2020 to 2021 for the period from 1 April 2020 to 31 March 2021.

##### ▼ Table 1: Total CIL Summary

<b>Total CIL receipts carried over from previously reported years<sup>8</sup></b>	<b>£1,548,586.05</b>
<b>Total CIL receipts<sup>9</sup> in reported year including:</b>	<b>£484,436.65</b>
CIL receipts in CIL Main Fund in reported year	£387,964.63
CIL receipts in CIL Neighbourhood Allocation in reported year (15% of total receipts less surcharges)	£72,250.19
CIL received for administrative expenses in reported year (5% of reported year total)	£24,221.83
<b>Total CIL receipts carried over from previously reported years and received in reported year</b>	<b>£2,033,022.70</b>
Total amount of CIL applied to administrative expenses in the reported year <sup>10</sup>	£23,202.96
Total expenditure from CIL Ward Neighbourhood Allocation <sup>11</sup> in reported year	£8,462.31
Total amount of CIL transferred to Leigh Town Council (LTC) from the reported year (Local Council Neighbourhood Allocation)	£2,558.04
Total refunds <sup>12</sup> in reported year	£19,221.70
<b>Total CIL receipts in CIL Main Fund and CIL Ward Neighbourhood Allocation unspent at the end of the reported year<sup>13</sup></b>	<b>£1,979,577.69</b>
Total CIL Ward Neighbourhood Allocation amount allocated but unspent in the reported year <sup>14</sup>	£45,215.02
<b>Total CIL receipts in CIL Main Fund and CIL Ward Neighbourhood Allocation yet to be allocated and remaining available to spend at the end of the reported year</b>	<b>£1,934,362.67</b>

<sup>8</sup> This includes all unspent receipts within the CIL Main Fund and CIL Ward Neighbourhood Allocation.

<sup>9</sup> This figure comprises total funds received in financial year 2020 to 2021 only i.e. does not include the value of any unpaid invoices raised in the reported year. In addition, CIL receipts include the value of land payments and infrastructure payments made in respect of CIL charges.

<sup>10</sup> Amount reduced by £1,018.87 to take into account refunds in reported year.

<sup>11</sup> See Table 2 for a detailed breakdown.

<sup>12</sup> Refunds may be given pursuant to CIL Regulation 74A or 74B (Abatement) or 75 (Overpayment).

<sup>13</sup> This figure can include the value of acquired land on which development consistent with a relevant purpose has not commenced OR the acquired land has been used or disposed of for a purpose other than the relevant purposes and the amount deemed to be CIL by virtue of regulation 73(9) has not been spent AND the value of infrastructure if the infrastructure has not been provided.

<sup>14</sup> See Table 2 for a detailed breakdown.

### 3.2 CIL Main fund

The CIL Main Fund is to be spent on strategic infrastructure that is considered essential to deliver the growth identified in the Borough's Local Development Plan. This infrastructure was initially identified in the CIL Infrastructure Delivery Plan 2015 ('IDP') but is under review as part of the new Southend Local Plan.

<b>▼ CIL Main Fund (summary)</b>	
Main Fund carried over from previously reported years	£1,372,534.97
Main Fund receipts for the reported year	£387,964.63
Total refunds <sup>15</sup> in the reported year	£15,377.36
Main Fund expenditure for the reported year	£0.00
<b>Main Fund retained at the end of the reported year</b>	<b>£1,745,122.24</b>

### 3.3 CIL Neighbourhood Allocation

<b>▼ Neighbourhood Allocation (summary)</b>	
Neighbourhood Allocation carried over by Southend-on-Sea Borough Council from previously reported years	£176,051.08
Total Neighbourhood Allocation receipts for the reported year including funds to be transferred to LTC	£72,250.19
Total CIL receipts to be transferred to LTC for the reported year	£2,558.04
Total refunds <sup>16</sup> in the reported year	£2,825.47
Neighbourhood Allocation expenditure for the reported year excluding funds transferred to LTC	£8,462.31
<b>Total CIL Ward Neighbourhood Allocation unspent at the end of the reported year</b>	<b>£234,455.45</b>
Total CIL Ward Neighbourhood Allocation amount allocated but unspent in the reported year <sup>17</sup>	£45,215.02
<b>Total CIL Ward Neighbourhood Allocation yet to be allocated and remaining to spend at the end of the reported year</b>	<b>£189,240.43</b>

<sup>15</sup> Refunds may be given pursuant to CIL Regulation 74A or 74B (Abatement) or 75 (Overpayment).

<sup>16</sup> Refunds may be given pursuant to CIL Regulation 74A or 74B (Abatement) or 75 (Overpayment).

<sup>17</sup> See Table 2 for a detailed breakdown.

### 3.3.1 CIL Local Council Allocation

<b>▼ Local parish council: Leigh Town Council (LTC)</b>	
Total CIL receipts allocated to LTC for the reported year	£4,510.51
Ward breakdown:	
• CIL receipts within Belfairs (within LTC boundary)	£353.38
• CIL receipts within Blenheim Park (within LTC boundary)	£0.00
• CIL receipts within Leigh	£1,433.92
• CIL receipts within West Leigh	£2,723.21
Deductions <sup>18</sup> from allocated amount in reported year:	
• Leigh – refund in relation to permission ref. 17/01702/FUL	£1,923.58
• West Leigh – refund in relation to permission ref. 18/00152/FUL	£28.89
Details of any requests for repayment of CIL receipts from LTC that have not been applied to support the development of its area within 5 years of receipt:	
• Total value of CIL receipts requested to be returned from LTC	£0.00
• Total value of CIL receipts yet to be recovered from LTC for the reported year	£0.00
<b>Total CIL receipts to be transferred to LTC for the reported year</b>	<b>£2,558.04</b>

Leigh-on-Sea Town Council's CIL Annual Reports, setting out details of expenditure, are published on the Parish Council's website: <http://www.leighonseatowncouncil.gov.uk>

<sup>18</sup> Refunds may be given pursuant to CIL Regulation 74A or 74B (Abatement) or 75 (Overpayment).



### 3.3.2 CIL Ward Neighbourhood Allocation

The CIL Ward Neighbourhood Allocation must be spent on schemes that will help support development of the ward area by funding either: a) the provision, improvement, replacement, operation or maintenance of infrastructure; or b) anything else that is concerned with addressing the demands that development places on an area.

Details relating to expenditure of the Neighbourhood Allocation within Southend-on-Sea Borough Council Wards in the reported year are set out in Table 2 below.

The contribution this CIL expenditure makes to particular Southend 2050 Outcomes<sup>19</sup> is shown in Figure 1 below. The main focus of investment has been on 'a range of initiatives help increase the capacity for communities to come together to enhance their neighbourhood and environment'.

Committed funds are predominantly allocated to make 'our streets and public spaces are valued and support the mental and physical wellbeing of residents and visitors'.

More information on Southend 2050 is provided in Appendix 1, including a list of all the 2050 Outcomes.

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<sup>19</sup> See [www.southend.gov.uk/downloads/file/6148/southend-2050-ambition](http://www.southend.gov.uk/downloads/file/6148/southend-2050-ambition) for further details.

▼ Table 2: Details of CIL Ward Neighbourhood Allocations

Ward	Receipts in 2020 to 2021 (£)	Funds carried over from previously reported years (£)	Expenditure for the reported year (£)	Refunds for the reported year (£)	Funds retained at the end of the reported year (£)	Items to which the Neighbourhood Allocation have been applied	Total budget allocated to each itemised project (£)	Remaining funds committed to be deducted less expenditure (£)	Available funds after commitments (£)
Chalkwell	485.46	14,102.62	0	873.00 <sup>20</sup>	13,715.08	n/a	0	0	13,715.08
Eastwood Park	1,988.43	3,173.37	661.00	0	4,500.80	Tree planting between Eastwood and Oakwood parks	2,191.20	1,530.20	2,970.60
Kursaal	0.00	3,141.35	1,260.00	0	1,881.35	Name Sign for Christchurch Park similar to those installed at the Borough's other parks	1,495.00	235.00	1,646.35
Milton	673.48	27,962.09	6,541.31	0	22,094.26	Milton Park improvements	5,000.00	18,315.23	3,779.03
						Street signs	2,000.00		
						Park Street replacement bollards*	2,856.54		
						Whitegate Play Space	15,000.00		
Prittlewell	0.00	34,610.54	0	0	34,610.54	n/a	0	0	34,610.54

<sup>20</sup> Refund in relation to permission ref. 15/01485/FUL.

Ward	Receipts in 2020 to 2021 (£)	Funds carried over from previously reported years (£)	Expenditure for the reported year (£)	Refunds for the reported year (£)	Funds retained at the end of the reported year (£)	Items to which the Neighbourhood Allocation have been applied	Total budget allocated to each itemised project (£)	Remaining funds to be deducted less expenditure (£)	Available funds after commitments (£)
Shoebury-ness	2,973.62	12,707.58	0	0	15,681.20	East Beach Improvements	tbc	8,418.39	7,262.81
						Resurfacing Shoebury High Street <sup>21</sup>	8,418.39		
South-church	190.55	1,711.55	0	0	1,902.10	Southchurch Speedwatch	444.35	444.35	1,457.75
St Laurence	19,671.81	3,133.28	0	0	22,805.09	Signs and trees	tbc	174.90	22,630.19
						Whip hedge planting	174.90		
St Lukes	672.50	543.97	0	0	1,216.47	n/a	0	0	1,216.47
Thorpe	1,277.06	12,926.19	0	0	14,203.25	Tree planting	tbc	7,945.59	6,257.66
						Street furniture improvement	7,945.59		
Victoria	39,396.00	19,137.80	0	0	58,533.80	n/a	0	0	58,533.80
West Shoebury	35.33	6,385.30	0	0	6,420.63	n/a	0	0	6,420.63
West-borough	0.00	5,834.45	0	0	5,834.45	Signposting	1,151.36	1,151.36	4,683.09

<sup>21</sup> Funds committed but feasibility issues; therefore, alternative project may be identified.

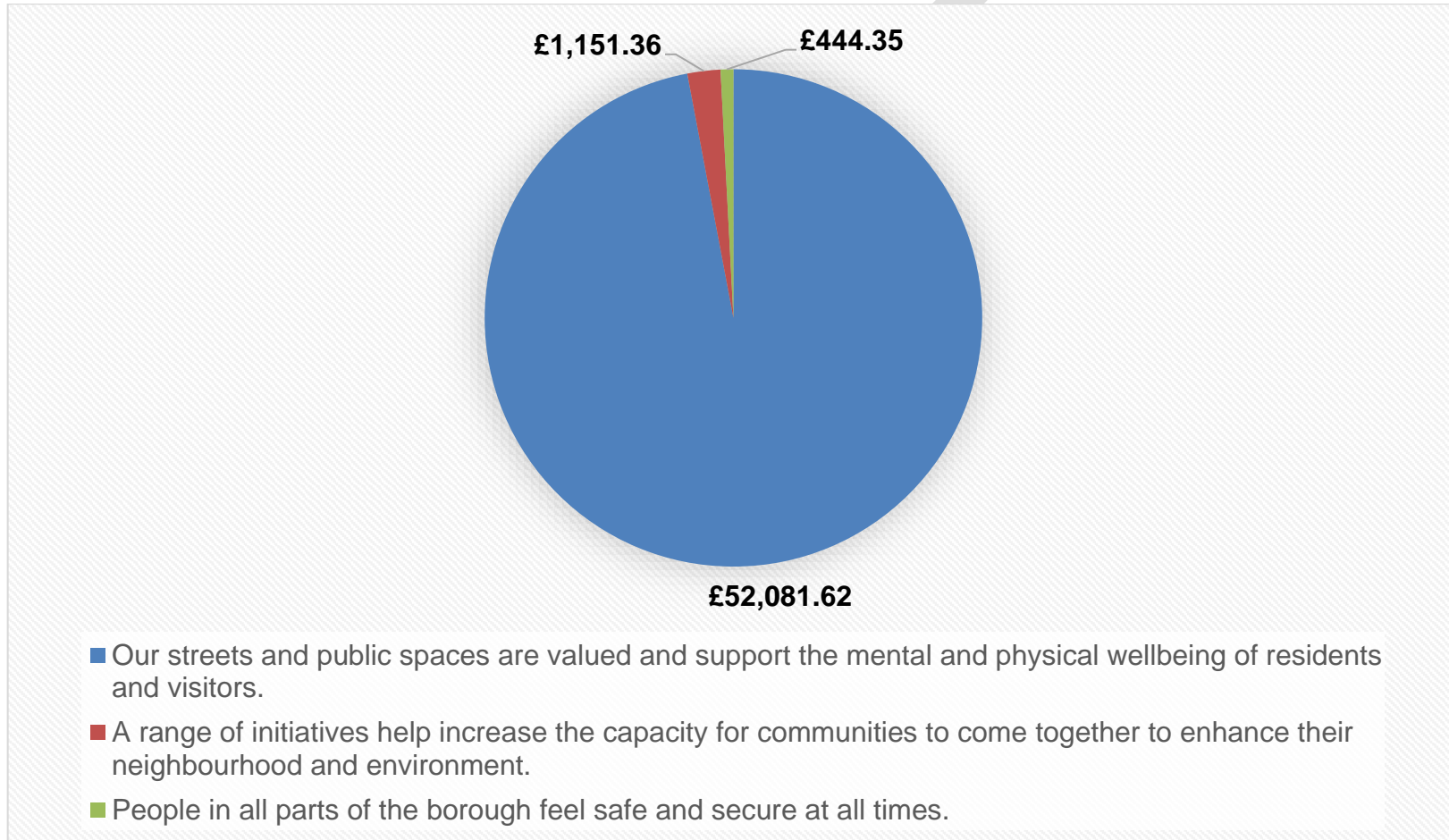
Ward	Receipts in 2020 to 2021 (£)	Funds carried over from previously reported years (£)	Expenditure for the reported year (£)	Refunds for the reported year (£)	Funds retained at the end of the reported year (£)	Items to which the Neighbourhood Allocation have been applied	Total budget allocated to each itemised project (£)	Remaining committed funds to be deducted less expenditure (£)	Available funds after commitments (£)
Belfairs (outside LTC boundary)	0.00	3,846.06	0	0	3,846.06	n/a	0	0	3,846.06
Blenheim Park (outside LTC boundary)	375.44	26,834.94	0	0	27,210.38	Mendip Wildlife Garden	2,000	7,000	20,210.38
						Blenheim Park 'Makeover'	5,000		
<b>Total:</b>	<b>67,739.68</b>	<b>176,051.09</b>	<b>8,462.31</b>	<b>873.00</b>	<b>234,455.46</b>			<b>45,215.02</b>	<b>189,240.43</b>

The contribution this CIL expenditure makes to particular Southend 2050 Outcomes<sup>22</sup> is shown in Figure 1 below and reflects column 8 ('Total budget allocated to each itemised project (£)') of Table 2 above. The main focus of investment has been on a range of projects to ensure that 'Our streets and public spaces are valued and support the mental and physical wellbeing of residents and visitors.'

More information on Southend 2050 is provided in Appendix 1, including a list of all the 2050 Outcomes.

<sup>22</sup> See [www.southend.gov.uk/southend2050](http://www.southend.gov.uk/southend2050) for further details

▼ Figure 1: CIL Ward Neighbourhood Allocations by 2050 Outcomes



## 4. Section 106 (S.106) planning obligation contributions for 2020 to 2021

The total amount of money under any planning obligations carried over from previously reported years, which had not been allocated and was available to spend at the start of the reported year was £1,736,816.96 <sup>23</sup>.

The total amount of money received through planning obligations, agreed in any year, retained at the end of the reported year (less £2,325,106.42 allocated funds) was £1,726,797.35 <sup>24</sup>.

### 4.1 S.106 financial contributions received

Income received during the reported year 2020 to 2021 amounted to £908,192.31.

#### ▼ Table 3: Details of S.106 income received to date in financial year 2020 to 2021 (as at 31 March 2021)

Site Address	Application no.	Date of S.106 agreement	Amount received (£)	Date received	Service area	Purpose
258 Leigh Road Leigh-On-Sea Essex	18/00484/FULM	03/07/2018	34,835.00	07/07/2020	Education	To be used by the Council for the expansion project at St Bernard's High School [Amount added to £1,286.54 already received in previously reported years – total <b>£36,121.54</b> ]

<sup>23</sup> Correct at time of preparation of this report but may be subject to adjustments.

<sup>24</sup> Correct at time of preparation of this report but may be subject to adjustments.

Site Address	Application no.	Date of S.106 agreement	Amount received (£)	Date received	Service area	Purpose
Car Park At 27 Victoria Avenue Southend-On- Sea Essex SS2 6AL	18/02151/FULM	02/07/2019	4,015.20	04/11/2020	Traffic/ transport	To cover the cost of the alteration to the Traffic Regulation Order required for the provision of loading bays and the relocation of parking bays in association with the Development
			10,891.23	04/11/2020	Parks and open spaces	Towards biodiversity mitigation management, protection and education associated with Sites of Special Scientific Interest (SSSIs), Special Areas of Conservation (SACs), Special Protection Areas (SPAs) and Ramsar sites in the Borough of Southend on Sea required as a consequence of the Development
			145,984.88	04/11/2020	Education	For the Phase 2 expansion project at Southchurch High School or any other such similar project that seeks to address the increased demand for secondary school places created as a consequence of this Development
Shoebury Garrison, Ness Road	14/00153/DOV	15/01/2015	65,000.00	29/10/2020	Civil Engineering	For the repair and maintenance of the sea wall and associated structures at Shoebury Garrison [Amount added to £178,500 already received in previously reported years – total £243,500]

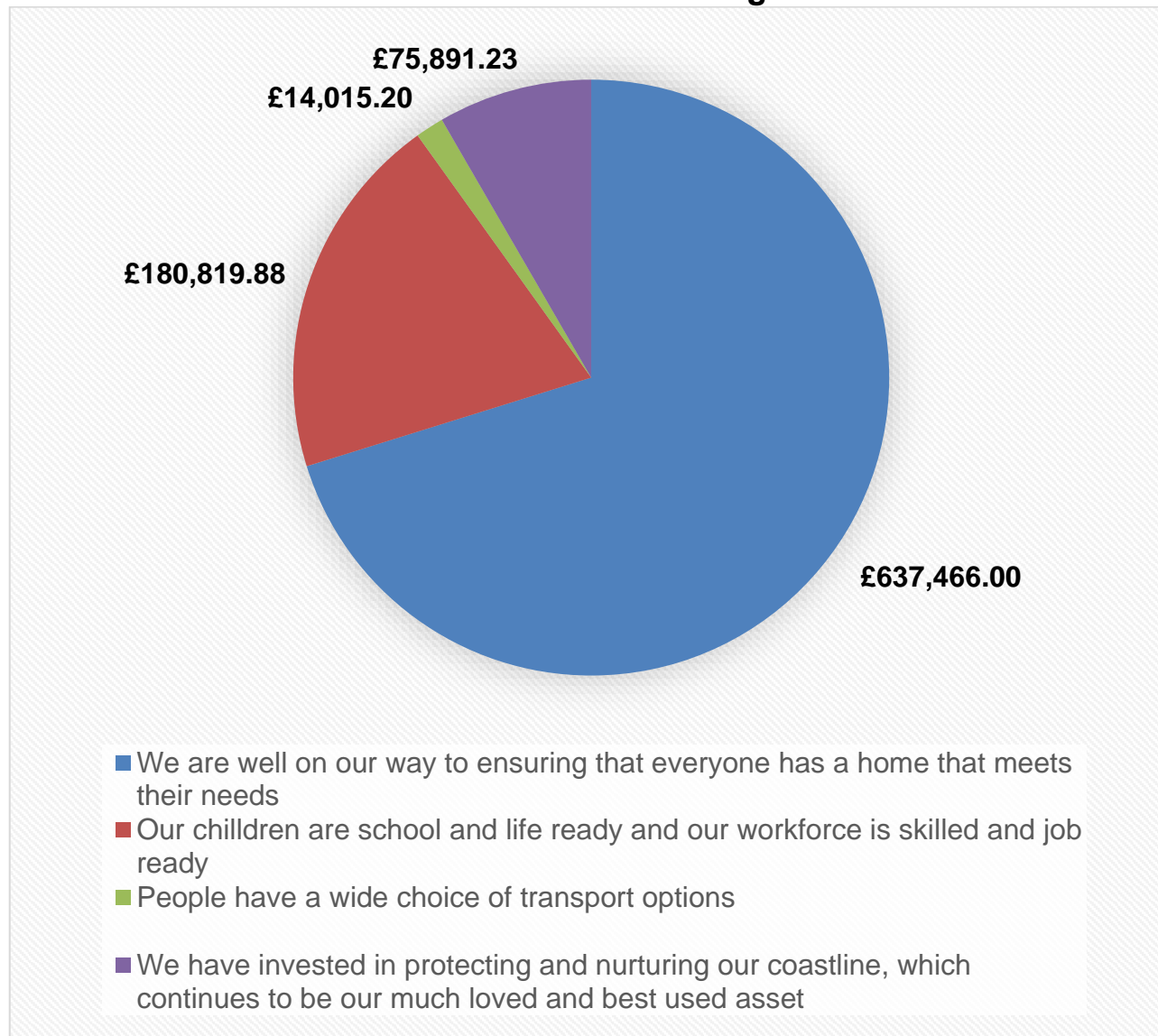
Site Address	Application no.	Date of S.106 agreement	Amount received (£)	Date received	Service area	Purpose
University Of Essex Southend, Princess Caroline House 1 High Street Southend On Sea Essex SS1 1JE	04/01561/FUL	15/05/2006	10,000.00	01/01/2020	Traffic/transport	To be spent on improving pedestrian facilities and providing cycle spaces on Luker Road and other areas within the vicinity of the development to enhance sustainability
257 - 285 Sutton Road Southend-On-Sea Essex	11/01727/DOV	04/12/2012	637,466.00	01/03/2021	Strategic Housing	For the provision of affordable housing within the borough
<b>Total:</b>			<b>908,192.31</b>			

Figure 2 below indicates the contribution of S.106 income received towards achieving 2050 Outcomes<sup>25</sup>. Most of the contributions are to be targeted towards the outcome 'We are well on our way to ensuring that everyone has a home that meets their needs'. Other outcomes that will benefit from S.106 income are 'Our children are school and life ready and our workforce is skilled and job ready', 'People have a wide choice of transport options', 'We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset', and 'People in all parts of the Borough feel safe and secure at all times'.

<sup>25</sup> See [www.southend.gov.uk/downloads/file/6148/southend-2050-ambition](http://www.southend.gov.uk/downloads/file/6148/southend-2050-ambition) for further details.



▼ **Figure 2: Contribution of S.106 income received to achieving 2050 Outcomes**



## 4.2 S.106 financial contributions spent

The total amount of money under any planning obligations which was spent in the reported year 2020 to 2021 was £43,105.50.

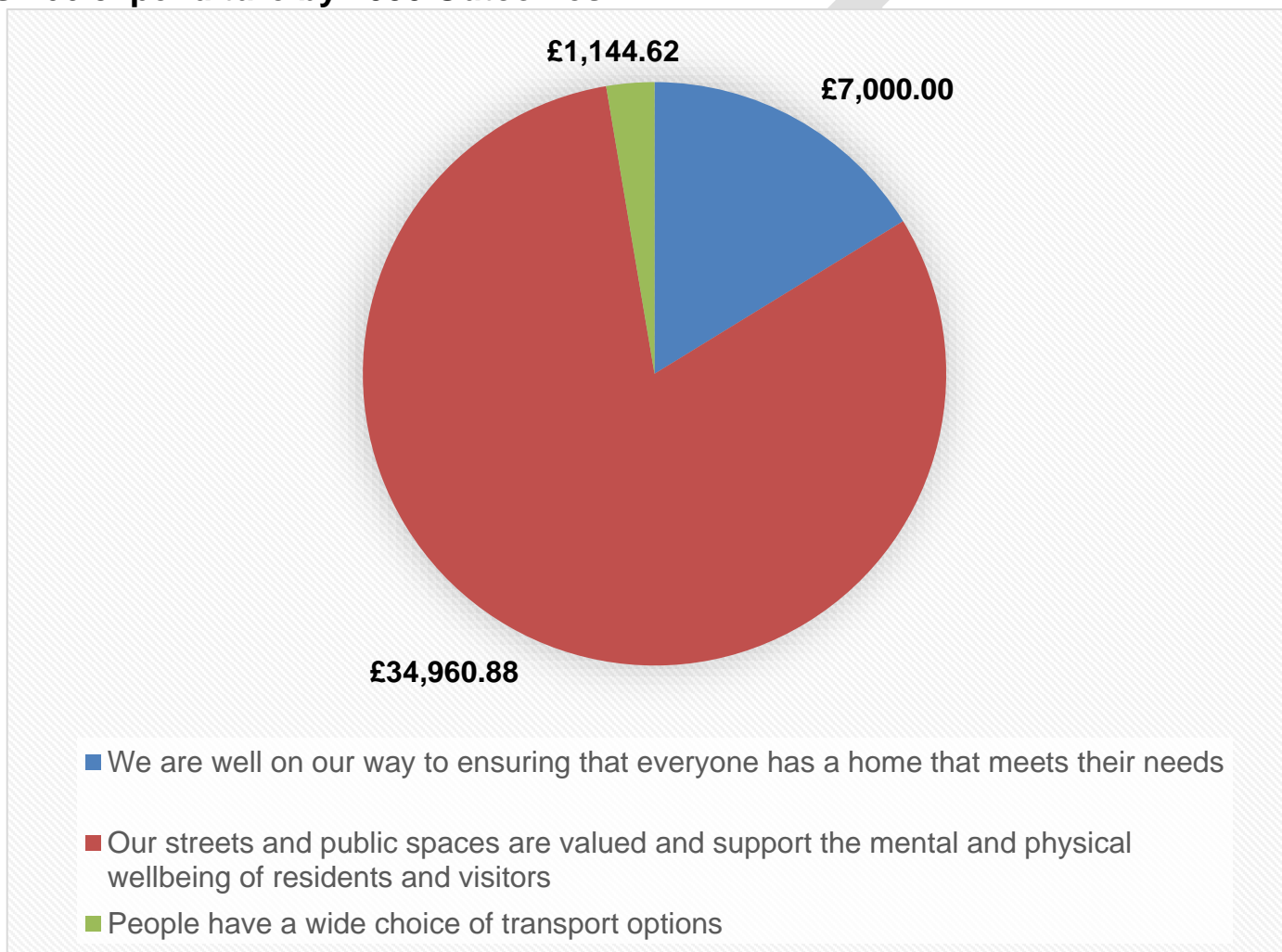
▼ **Table 4: Details of S.106 expenditure in financial year 2020 to 2021**

Site Address	Application no.	Date of S.106 agreement	Date received	Amount spent (£)	Service area	Purpose
Avenue Works Southchurch Avenue Southend-On- Sea Essex	14/01968/AMDT	05/03/2015	15/10/2015	2,398.45	Culture and Tourism	Provision of public art in the vicinity of the development
S106 Land at rear 127 High Street SOS (University)	04/01561/FUL	15/05/2006	2006-2020 (payment by instalments)	1,144.62	Traffic/ transport	Spent on improving pedestrian facilities and providing cycle spaces on Luker Road and other areas within the vicinity of the development to enhance sustainability
Hinguar Primary School Hinguar Street Shoeburyness Southend-On- Sea Essex SS3 9AN	14/01672/BC4M	23/04/2015	15/08/2016	4,104.79	Culture and Tourism	Provision of public art in the vicinity of the development

Site Address	Application no.	Date of S.106 agreement	Date received	Amount spent (£)	Service area	Purpose
3 Acacia Drive, Thorpe Bay, Essex SS1 3JU	16/00876/DOV	28/07/2016	10/02/2017	7,000.00	Strategic Housing	Feasibility work for Phase 5 and 6 of the HRA Land Review in association with strategic land acquisition for the provision of affordable housing in the borough
Vacant Land Adj Asda North Shoebury Road Shoeburyness	03/01504/OUT	20/12/2004 and 07/01/2005	03/03/2015	26,910.00	Parks and Open Spaces	Maintenance of the Shoebury Park extension
Ajax Works, Station Avenue SOS	03/00130/FUL	05/05/2004	18/06/2010	415.80	Parks and Open Spaces	Maintenance of the public open space at the former Ajax Works
Former Municipal College Playing Fields Lifstan Way Southend-on- Sea Essex SS1 2XX	00/00273/OUT	17/10/2002 (as amended by agreement dated 01/03/2006)	31/10/2012	1131.84	Parks and Open Spaces	Maintenance of the public open space at Lifstan Way
<b>Total:</b>				<b>£43,105.50</b>		

Figure 3 below indicates the expenditure of S.106 income spent by 2050 Outcomes. The main focus of investment has been on ensuring 'Our streets and public spaces are valued and support the mental and physical wellbeing of residents and visitors'.

▼ **Figure 3: S.106 expenditure by 2050 Outcomes**



### 4.3 S.106 financial contributions not required and returned

It is confirmed that in financial year 2020 to 2021 no S.106 financial contributions were returned as a consequence of not being required.

### 4.4 S.106 financial contributions allocated but not yet spent

The funds set out in Table 5 have been allocated to projects but not yet spent. All of the S.106 contributions set out in Table 5 have been allocated to either the Strategic Housing or Education service areas. They will contribute towards the 2050 Outcomes 'We are well on our way to ensuring that everyone has a home that meets their needs' and 'Our children are school and life ready and young people are ready for further education, training or employment'. The Southend 2050 Outcomes are set out in full in Appendix 1.

Total amount of money under any planning obligations which was allocated but not spent at the end of the reported year was £2,325,106.42.

▼ **Table 5: Details of S.106 financial contributions allocated to projects (but not yet spent) in financial year 2020 to 2021**

Site Address	Application no.	Date of S.106 agreement	Date received	Amount allocated (£)	Service area	Purpose
Essex House, Southchurch Ave, Southend-on-Sea, Essex SS1 2LB	16/00116/DOV	06/05/2016	20/09/2016	319,588.23	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough

Site Address	Application no.	Date of S.106 agreement	Date received	Amount allocated (£)	Service area	Purpose
3 Acacia Drive, Thorpe Bay, Essex SS1 3JU	16/00876/DOV	28/07/2016	10/02/2017	170,458.00	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough
32-36 Valkyrie Rd, Westcliff-on-Sea, Essex SS0 8BU	17/00893/DOV5	10/10/2017	21/11/2017	218,000.00	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough
845-849 London Rd, Westcliff-on-Sea, Essex	16/01030/AMDT	14/07/2016	09/01/2018	142,528.00	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough
St Hildas School, 13-15 Imperial Ave, Westcliff-on-Sea, Essex SS0 8NE	17/00530/AMDT	27/06/2017	09/01/2018	10,556.00	Strategic Housing	Phase 5 or 6 design work for HRA Land Review Project – new affordable homes in the borough

Site Address	Application no.	Date of S.106 agreement	Date received	Amount allocated (£)	Service area	Purpose
H Portsmouth And Son, 1043 London Road, Leigh-on-Sea, Essex SS9 3JY	15/01545/FULM	08/03/2016	11/06/2018	279,951.00	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough
Frankie And Bennys, 18-20 Southchurch Rd, Southend-on-Sea, Essex SS1 2ND	16/00177/DOV	22/06/2016	18/10/2018	130,232.79	Strategic Housing	Strategic land acquisition for the provision of affordable housing in the borough
258 Leigh Road Leigh-On-Sea Essex	18/00484/FULM	03/07/2018	22/01/2020	155,157.98	Strategic Housing	Towards the Next Steps Accommodation Programme to provide permanent and supported accommodation for rough sleepers
			07/07/2020	36,121.54	Education	To be used for the expansion project at St Bernard's High School

Site Address	Application no.	Date of S.106 agreement	Date received	Amount allocated (£)	Service area	Purpose
British Heart Foundation, 3-5 High Street, Southend-on-Sea, Essex SS1 1JE	15/01496/AMDT and 15/01070/DOV	23/12/2015	26/10/2017	195,918.00	Strategic Housing	£171,685.98 committed to strategic land acquisition for the provision of affordable housing in the borough; £24,232 committed towards the Next Steps Accommodation Programme to provide permanent and supported accommodation for rough sleepers
Heath House And Carby House Victoria Avenue Southend-On-Sea Essex	15/02019/S106BA	25/02/2016	21/01/2020	520,610.00	Strategic Housing	Towards the Next Steps Accommodation Programme to provide permanent and supported accommodation for rough sleepers



Site Address	Application no.	Date of S.106 agreement	Date received	Amount allocated (£)	Service area	Purpose
Car Park At 27 Victoria Avenue Southend- On-Sea Essex SS2 6AL	18/02151/FULM	02/07/2019	07/07/2020	145,984.88	Education	To be used for secondary school expansion projects
<b>Total:</b>				<b>£2,325,106.42</b>		

## **5. Estimated future income from developer contributions**

### **5.1 Value of CIL set out in all Demand Notices issued in the reported year**

The total value of CIL set out in all Demand Notices issued in the reported year (i.e. between 1 April 2020 and 31 March 2021) was £324,457.00.

### **5.2 Value of S.106 planning obligations entered into in the reported year<sup>26</sup>**

Table 6 below sets out the details of the planning obligations that were entered into during the reported year (i.e. between 1 April 2020 and 31 March 2021). The total amount of money to be provided under planning obligations, which were entered into in the reported year, cannot yet be confirmed as the developments concerned included an outline planning permission (dwelling numbers to be agreed as part of a reserved matters planning application, at which point formulae will be applied to developer contributions).

Table 6 includes details of non-monetary contributions such as affordable housing, open space provision, travel plans and highway works. No monetary value has been attributed to these contributions for the purpose of this report but the infrastructure benefits are noted and are set out in each Section 106 agreement as part of the planning file for each development.

It should be noted that there is no guarantee that the developer contributions set out in this section of the report will be delivered as they may relate to either development that has yet to commence or implemented schemes for which the due date for contributions has not yet been reached.

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<sup>26</sup> These amounts include some contributions that are stated in Section 106 agreements as a maximum and are subject to agreement between the parties depending on final cost of infrastructure provision required; and also exclude some contributions that are subject to viability assessment or final costing post-commencement.

▼ **Table 6: Details of planning obligations entered into during the reported year 2020 to 2021**

Site Address	Application no.	Date of S.106 agreement	Obligation	£ contribution requested	Service area
Unit At 411 - 415 Sutton Road Southend-On- Sea Essex SS2 5PH	19/01732/AMDT	15/04/2020	The provisions of the agreement dated 29/03/2017 (details under planning application ref. 16/01503/FULM) to remain in effect on implementation of this new planning permission	n/a	n/a
939 - 953 London Road Leigh-On-Sea Essex SS9 3LQ	20/00633/AMDT	06/11/2020	The provisions of the agreement dated 26/10/2017 (details under planning application ref. 17/00563/OUTM) to remain in effect on implementation of this new planning permission	n/a	n/a

Site Address	Application no.	Date of S.106 agreement	Obligation	£ contribution requested	Service area
Beaumont Court And Richmond House 61 - 71 Victoria Avenue Southend-On-Sea Essex	20/01095/AMDT	12/02/2021	Public Accessible Area	n/a	Planning
			Public Art Lighting Scheme	n/a	Culture and Tourism
			Residents Community Facility	n/a	Planning
			Management Strategy	n/a	Planning
			Travel Plan	n/a	Traffic/transport
			Affordable housing (52 shared ownership units)	n/a	Strategic Housing

Site Address	Application no.	Date of S.106 agreement	Obligation	£ contribution requested	Service area
Land Between Barge Pier Road And Ness Road Shoeburyness Southend-On-Sea Essex	20/01227/OUTM	26/02/2021	30% Affordable housing (including 60% affordable rent or social rent and 40% shared ownership)	n/a	Strategic Housing
			Education Contribution (For the expansion project at Shoeburyness High School or similar expansion project required as a consequence of the Development to provide additional secondary school places)	tbc	Education
			Highway Works Contribution (for the future upgrade of the highway junction of Campfield Road and Ness Road)	30,000	Traffic/transport
			RAMS (Essex Coast Recreation disturbance Avoidance and Mitigation Strategy) Contribution	tbc	Parks and Open spaces
			S106 Monitoring Contribution	10,000	Planning
<b>Total:</b>				<b>tbc</b>	

All S.106 agreements completed can be viewed on the Council's [Public Access for Planning](#) system available on our website.

## 6. Planning for infrastructure expenditure

### 6.1 What do developer contributions deliver?

Developer contributions, secured through CIL and S.106 planning obligations, provide strategic and site specific infrastructure to support development and growth in the borough. The projects that will be funded, wholly or partly by developer contributions fall within the following infrastructure and affordable housing categories:

- education
- health and social wellbeing
- coastal flood protection
- social and community
- leisure and recreation
- public realm and environment
- affordable housing

## 6.2 Future spending priorities

The categories listed in paragraph 6.1 above reflect the infrastructure needs identified in the Council's [Infrastructure Delivery Plan \(February 2015\)](#) as identified for the Development Plan period. The current Southend Development Plan covers the period up until 2021 and a review has commenced as part of the new Southend Local Plan. This review will comprise a detailed assessment of infrastructure requirements to support growth.

More detail will be provided in subsequent infrastructure funding statements regarding what infrastructure will be delivered, including when and where once the new Local Plan is adopted. The current CIL Main Fund (as at the end of the financial year 2020 to 2021) is therefore carried forward and it is proposed that its spending will be prioritised as part of the Development Plan review that will identify essential infrastructure required to deliver growth set out in the new Southend Local Plan. S.106 planning obligations will continue meet the statutory tests in [regulation 122](#) of the CIL Regulations 2010 (as amended) and as policy tests in the National Planning Policy Framework. They must be:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

In accordance with the CIL Regulations 2010 (as amended), the Council will continue to allocated 5% of total CIL receipts to administrative expenses associated with CIL; and 15% of total CIL receipts (less surcharges) to localised neighbourhood projects. Details relating to the governance arrangements (including spending and reporting arrangements) for CIL can be found in the [CIL Governance Framework \(July 2015\)](#).

Decisions relating to S.106 planning obligation requirements are made by the Development Control Committee. Further details in relation to the Council's approach and priorities in respect of seeking planning obligations when considering planning applications can be found in the Supplementary Planning Document '[Planning Obligations: A Guide to Section 106 and Developer Contributions 2015](#)'.

## 7. Conclusion

Southend-on-Sea Borough Council is committed to working with its partners to ensure that CIL and S.106 developer contributions are used in a fair and transparent way to maximise the benefits and opportunities arising from development, such as new affordable homes, community infrastructure, jobs and environmental improvements.

If you have any further queries or comments about this statement, please do not hesitate to contact us via email:  
[S106andCILadministration@southend.gov.uk](mailto:S106andCILadministration@southend.gov.uk)



## Appendix 1: Southend 2050 Outcomes

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 programme is not about one single publication or statement. It is a mind-set – one that looks to translate the desires of local people and stakeholders into action, something that looks to the long term, but also at the action that is needed now and in the medium-term.



Southend 2050 is made up of the ambition, associated themes and the outcomes we want to achieve. Our Road Map<sup>27</sup>, and all future delivery plans, strategies and policies will reflect this. The Road Map builds on our existing achievements and outlines what the Council wants to achieve in the coming five years. Our delivery plans will focus on achieving desired outcomes that reflect our ambition.

All the investment set out in this Infrastructure Funding Statement will contribute to achieving the 2050 Outcomes. Please see next page for a breakdown of the 2050 Themes and Outcomes.

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<sup>27</sup> See [www.southend.gov.uk/downloads/file/6148/southend-2050-ambition](http://www.southend.gov.uk/downloads/file/6148/southend-2050-ambition) for further details.

## Southend 2050 Themes & Outcomes

 <p>PRIDE &amp; JOY</p>	<p>By 2050 Southenders are fiercely proud of, and go out of their way, to champion what our city has to offer.</p>	<ol style="list-style-type: none"> <li>1. There is a tangible sense of pride in the place and local people are actively, and knowledgeably, talking up Southend.</li> <li>2. The variety and quality of our outstanding cultural and leisure offer has increased for our residents and visitors and we have become the region's first choice coastal tourism destination.</li> <li>3. We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset.</li> <li>4. Our streets and public spaces are valued and support the mental and physical wellbeing of residents and visitors.</li> </ol>
 <p>SAFE &amp; WELL</p>	<p>By 2050 people in Southend-on-Sea feel safe in all aspects of their lives and are well enough to live fulfilling lives.</p>	<ol style="list-style-type: none"> <li>1. People in all parts of the borough feel safe and secure at all times.</li> <li>2. Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives.</li> <li>3. We are well on our way to ensuring that everyone has a home that meets their needs.</li> <li>4. We are all effective at protecting and improving the quality of life for the most vulnerable in our community.</li> <li>5. We act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.</li> <li>6. Residents feel safe and secure in their homes</li> </ol>



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

1. The Local Plan is setting an exciting planning framework for the Borough.
2. We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities.
3. Our children are school and life ready and young people are ready for further education, training or employment.
4. Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough.
5. 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.
6. Southend provides fulfilling careers for our residents, and enough job roles to match the needs of the population.
7. Southend businesses feel supported to respond to economic shock; adapt to evolving global markets; and, have the tools to preserve their businesses by responding effectively and positively to change.



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

1. Even more Southenders agree that people from different backgrounds are valued and get on well together.
2. Residents feel the benefits of social connection, in building and strengthening their local networks through common interests and volunteering.
3. Residents are routinely involved in the design and delivery of services.
4. A range of initiatives help increase the capacity for communities to come together to enhance their neighbourhood and environment.
5. More people have physically active lifestyles, including through the use of open spaces.



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

1. Working with the public transport providers to enhance and encourage the use of the existing provision moving towards a long-term aspiration to open new routes, enabling a wider accessibility to public transport options.
2. People have a wide choice of transport options.
3. We are leading the way in making public and private travel smart, clean and green.
4. Southend is a leading digital city with world class infrastructure that reflects equity of digital provision for the young, vulnerable and disadvantaged.

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Published xxxx

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Translations of this document in alternative languages are also available upon request.

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# Southend-on-Sea Borough Council

Report of Deputy Chief Executive & Executive Director

To

## Cabinet

On

Date 15 June 2021

Report prepared by: Mark Sheppard

Agenda  
Item No.

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### Southend New Local Plan

#### Refining the Plan Options *Refining the Strategy for Growth and Change*

#### Regulation 18 Public Consultation

Place Scrutiny Committee  
Cabinet Member: Councillor Mulroney  
*Part 1 (Public Agenda Item)*

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## 1. Purpose of Report

- 1.1 To seek Member approval to publish 'Refining the Plan Options' for public consultation as part of the next stage in preparing the Southend New Local Plan.
- 1.2 The Covid Pandemic has had a significant impact on the global and local economy. The Local Plan can play a key role in helping to act as a catalyst to recover from this impact. It will be important we continue to monitor the impacts of Covid and the post pandemic recovery as the Local Plan is prepared.

## 2. Recommendations

- 2.1 Approve 'Refining the Plan Options' document (attached at [Appendix 1](#)) as the second stage of the preparation of the Southend New Local Plan to be published for public consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.
- 2.2 Note the feedback received during the previous stage of consultation, the *Southend New Local Plan Issues and Options Document 2019*, as set out in the accompanying Consultation Statement (attached at [Appendix 2](#)).
- 2.3 Agree to delegate authority to the Deputy Chief Executive and Executive Director for Growth and Housing, in consultation with the Cabinet Member for Environment and Planning, to:
  - make minor amendments to the Southend New Local Plan prior to consultation; and

- **take all necessary steps to ensure compliance with the relevant statutory processes and procedures to undertake the consultation.**

### **3. Background**

- 3.1 In June 2018 Members agreed a new approach to reviewing the Development Plan for Southend. This approach comprised the preparation of a new local plan for Southend in parallel to preparation of a wider South Essex Plan, the latter to be produced in partnership with other South Essex local authorities and Essex County Council.
- 3.2 In 2019 an 'Issues and Options' document was published for public comment as part of the first stage in the preparation of the Southend New Local Plan (5<sup>th</sup> February to 2<sup>nd</sup> April 2019). Details of feedback to the Issues and Options consultation were published in August 2019 in a Consultation Report <sup>1</sup>. The cross-party Environment and Planning Working Party received a presentation on the results of the consultation at its meeting on 7 November 2019 and were able to seek clarification and ask questions on the consultation results. The results of the consultation were noted.
- 3.3 Noting that a number of emerging cross-boundary strategic issues could not be fully addressed in isolation and/or entirely within Southend's administrative area, particularly relating to housing provision, in early 2019, Members also approved the principle of preparing the Southend New Local Plan in two parts: Part 1 covering cross-boundary strategic issues to be prepared jointly with Rochford District Council, and Part 2 covering local issues relating to Southend.
- 3.4 However, following subsequent discussions with Rochford District Council, Rochford determined it wished to pursue its own local plan on an individual basis. In that context it was agreed that instead, the two authorities would closely coordinate in their plan preparation so as to effectively address key cross-boundary strategic development issues. An updated Local Development Scheme (LDS) was agreed by Cabinet in February 2021 to take account of these changed circumstances.
- 3.5 A 'Refining the Plan Options' consultation document covering the administrative area of Southend Borough has now been prepared as part of the second stage of preparing the Southend New Local Plan. The consultation document is attached to this report, for Cabinet approval. If approved, the Council would undertake 8 weeks' consultation, starting in July 2021.
- 3.6 Following consultation on the 'Refining the Plan Options' document, officers will begin to draft the Preferred Local Plan for consultation in 2022, before finalising the Southend New Local Plan for a final round of consultation and formal Submission for independent examination in 2023, in accordance with statutory procedures. The forthcoming stages of local plan preparation are depicted in the **Figure 1** below.

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<sup>1</sup> [Southend New Local Plan Issues and Options Consultation Report Southend on Sea Borough Council, August 2019](#)



**Figure 1: Stages of Local Plan Preparation<sup>2</sup>**



*Calendar Year (action listed commencing)*

3.7 Once adopted the Southend New Local Plan will be a key document in guiding and facilitating new development and growth in the Borough over the next 20 years, helping to deliver some of the key aspirations of Southend 2050 and acting as a catalyst to assist economic recovery from the Covid pandemic. When adopted, the new Local Plan will replace the existing suite of documents that currently comprise the Local Development Framework, including the Southend Core Strategy (2007), Development Management Document (2015) and Southend Central Area Action Plan (2018).

**4. Refining the Plan Options**

***Objectives***

- 4.1 The successful delivery of the Southend New Local Plan will contribute significantly to the fulfilment of a number of elements of the Council’s vision, themes and outcomes as referenced below.
- 4.2 The Issues and Options document published in 2019 identified several major planning issues facing the future development of the Borough and discussed possible options for resolving these. The feedback generated from the public consultation has been invaluable in helping to frame the contents of ‘Refining the Plan Options’ consultation document.

<sup>2</sup> As an approximation, the period from submission to adoption may range from 9 to 12 months dependent on the scope of the plan, issues arising during examination and scheduling of meetings.

- 4.3 However, since the publication of the Issues and Options report there have also been significant changes which were unforeseen at the time, notably the impact of the Covid 19 pandemic and proposed Government changes to planning legislation first outlined in the Governments White Paper<sup>3</sup>, 'Planning for the Future'.
- 4.4 The White Paper proposed a package of measures seeking to reform the planning system including how Local Plans are prepared and presented. If brought into legislation, the White Paper proposals may have an impact on how the Southend New Local Plan is prepared and taken forward, depending upon the nature of any 'transition arrangements' put in place. The preparation of the 'Refining the Plan Options' document is therefore designed to provide a degree of flexibility so that the changes proposed in the White Paper can be satisfactorily accommodated as appropriate as the local plan progresses.
- 4.5 In addition, last September the Government agreed changes to the Use Classes Order<sup>4</sup> which allowed greater freedoms for changing retail to other uses and as a result, impact on current retail planning policy.
- 4.6 All these considerations have been taken into account in preparing 'Refining the Policy Options' consultation document. It is NOT the purpose of the consultation document to set out a preferred strategy or detailed criteria-based policies at this stage. Rather, the consultation document sets out draft proposals, potential development sites and possible interventions to generate further public feedback as the Local Plan is progressed.

### ***Contents of the Consultation Document***

- 4.7 The Plan is divided into three Parts: 1. Aim and Objectives; 2. Spatial Strategy; 3. Southend Neighbourhoods. The primary focus of the consultation is seeking views on the Aim and Objectives, Spatial Strategy and a number of key strategic development issues. The Neighbourhood sections set out the draft proposals in more detail for those wishing to focus on certain areas of the Borough or where they live.
- 4.8 'Refining the Plan Options' seeks public comment on a range of more detailed issues and possible options which are summarised below and set out in full at **Appendix 1**. A Non-Technical Summary (**Appendix 3** of this report) will also be made available during the consultation.

### ***Part 1. Aim and Objectives (Southend 2050 Ambition)***

- 4.9 The document sets out a draft Aim for where we want to be in 20 years' time together with draft Development Principles and Spatial Objectives, all in the context of Southend 2050. The Local Plan will also incorporate other relevant

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<sup>3</sup> Planning for the Future, Ministry of Housing, Communities and Local Government, March 2020.

<sup>4</sup> The Government Recently introduced under the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 radical changes to the Use Class Order retail uses which fell within Use Classes Order A1 (Shops), A2 (Financial and professional services), A3 (Food and drink), have now been consolidated into a new Class E (Commercial, Business and Services). Office, research and development and light industrial uses which were in Use Classes B1 (Business) and medical and health services, creche, day nursery and day centre uses (Class D1), and indoor sports, recreation and fitness uses which were in Class D2 (Assembly and leisure) are also consolidated into the new Class E.

Council and stakeholder strategies, including the emerging Southend Culture Vision.

## **Part 2. Spatial Strategy**

- 4.10 The Local Plan is required to set out a clear and positive strategy for the pattern, scale and quantity of development. The consultation document identifies a draft strategy which seeks to satisfactorily accommodate future development needs for the next 20 years, including new homes, jobs and supporting infrastructure and services, whilst safeguarding the character and amenities of areas and the natural environment.

### ***Economic Recovery and Meeting Employment Needs***

*(Southend 2050: Opportunity and Prosperity)*

- 4.11 All the sections of the Local Plan will play an important role in facilitating job growth and economic recovery. The provision of new homes will provide construction jobs and attract investment and spending to the area, whilst a growing population will generate more jobs in schools and health related services as well as shops, cafes and restaurants in our town, neighbourhood and local centres. Transport and access improvements will be vital for attracting economic investment and there remains considerable economic growth potential at London Southend Airport.
- 4.12 The consultation document sets out options for safeguarding the existing employment stock; identifies land for additional employment provision; and suggests the potential re-allocation of some underutilised employment to other uses. These options are put forward in the context of needing to find land and opportunities sufficient to generate up to 11,000 new jobs in the period up to 2040.

### ***Providing Community Services and Infrastructure***

*(Southend 2050: Active and Involved)*

- 4.13 Growth within Southend needs to be infrastructure led, ensuring key services and facilities are delivered when and where they are needed, taking account of existing capacity and the phasing of future development. The document asks what infrastructure provision is required in respect to new development and outlines that an Infrastructure Delivery Plan (IDP) will be prepared to sit alongside the Local Plan.

### ***Providing New Homes (Southend 2050: Safe and Well)***

- 4.14 In relation to housing specifically, Local Authorities must seek to meet their housing needs in full. The identified housing need for the Borough up to 2040 is approximately an additional 23,500 homes.
- 4.15 The consultation document builds on the options put forward in the 2019 'Issues and Options' consultation and responses received and considers in further detail the options for meeting the Borough's future housing needs by:
- *Increasing urban capacity* – development within the existing urban area of Southend through windfall, existing allocations and planning permissions and sites located on previously developed land;

- *Facilitating urban change* – housing regeneration on existing housing estates in public ownership that may benefit from some renewal, redevelopment or expansion; outmoded/under used employment land that could be better put to alternative residential use; and sites on open space and agricultural land within settlement limits that could be suitable for housing;
- *Building new neighbourhoods* - development on the edge of the existing urban area of Southend that has the potential to create a comprehensive new neighbourhood including new jobs, supporting infrastructure, improved access, and public open space. This includes 1,859 new homes at Fossetts Farm and an estimated 5,395 additional homes on land currently designated as Green Belt; and
- *Considering the potential for new development outside the Borough* - Rochford District Council is preparing a new Local Plan and is also considering a range of spatial options and sites to meet its own development needs. One option that could contribute to meeting housing needs within both Rochford and Southend is through providing a series of new neighbourhoods on the north-eastern edge of Southend. These neighbourhoods could be created with distinct identities or be part of a comprehensive growth area (such as a garden settlement) delivering new jobs and infrastructure including schools, provision for further education, new health facilities, a new country park, new sport and leisure facilities and the creation of other new community facilities to provide for new sustainable communities. A comprehensive development would also include all the land necessary to deliver new road and transport links required to facilitate the delivery of land both within Southend Borough and Rochford District, and through its green infrastructure provision, would help to facilitate the creation of a new sub-regional scale South Essex Estuary Park (SEE Park) being brought forward in South Essex.

### ***Retail Provision and Centres Hierarchy***

*(Southend 2050: Opportunity and Prosperity)*

- 4.16 To ensure that across the Borough, the Plan helps to provide for healthy, ‘complete’ neighbourhoods and encourages local employment opportunities, the consultation document identifies a hierarchy of centres and proposes to promote and enhance a mix of commercial uses within these by defining each of them as “Commercial Areas” within which the ground floor use should be within the new Class E of the Use Classes Order<sup>4</sup>. The document also seeks feedback on the options to accommodate future retail and other commercial needs.

### ***Town Centre and Central Seafront***

*(Southend 2050: Opportunity and Prosperity)*

- 4.17 In the light of changing retail patterns, the Plan notes the need to promote a greater mix of uses within our town and local centres. Building upon the policy provisions within the Southend Central Area Action Plan (SCAAP), recent public realm improvements and actions taken by the Council and its partners to date, the Plan recognises that town centre needs to be reimaged and refocussed to ensure that it adapts and evolves.

- 4.18 The Local Plan therefore invites feedback on a range of draft Opportunity Sites and Interventions that could help to transform and re-imagine the Town Centre and its environs.

### ***Protecting and Enhancing Green Space and the Coastline***

*(Southend 2050: Pride and Joy; Safe and Well)*

- 4.19 To provide protection against inappropriate development of existing open spaces such as parks, woodlands, coastline and to protect natural habitats, the consultation document identifies areas to be safeguarded; supports the ambition to help create a new Country Park (South Essex Estuary Park) to improve access to green space for residents in the north east of the Borough; and identifies areas of search where new and improved open spaces will be promoted within areas currently lacking access to local green space.

### ***Transport and Access***

*(Southend 2050: Connected and Smart)*

- 4.20 The consultation document identifies draft priorities for transport provision and considers the extent of accessibility to town and neighbourhood centres and tourism attractions. It also seeks views on the principle of creating a new link road including sustainable travel routes (i.e. bus priority lanes, cycleways etc.) from the A127 to Shoeburyness to facilitate the development of new neighbourhood/s to the north of Southend.

### ***London Southend Airport***

*(Southend 2050: Connected and Smart; Opportunity and Prosperity)*

- 4.21 Options for updating and reviewing policy provisions relating to the airport, airport growth and its economic potential, taking account of existing runway capacity, environmental and noise issues together with transport provisions and links to the airport are also set out for public comment.

### ***Part 3. Southend Neighbourhoods***

*(Southend 2050: Safe and Well, Pride and Joy, Active and Involved)*

- 4.22 The consultation document looks at each of Southend's neighbourhoods in detail and sets out a range of options and issues affecting the Boroughs eight defined neighbourhoods, namely Eastwood, Leigh, Prittlewell, Westcliff, Southend Central (including, Town Centre and Central Seafront), Southchurch, Thorpe Bay and Shoeburyness. It also sets out draft priorities and considers how 'complete' each neighbourhood is in terms of community facilities and accessibility and identifies potential sites for various uses to meet local needs.
- 4.23 Other land use considerations and criteria-based policies that will eventually help to shape and manage the form and function of development, such as those to address design, heritage, housing tenure and climate change, have not been explicitly identified within the consultation document. They will be included at the Preferred Options stage of the Southend New Local Plan preparation.

## **5. Other Options**

- 5.1 The failure to prepare a new local plan for Southend would result in its current plans becoming progressively out of date and the Council becoming

increasingly unable to positively influence the scale, nature and location of development within the Borough. Without the certainty of a recently adopted local plan which includes up to date policies and proposals for the location of development and new infrastructural investment, potential investors in new development may be dissuaded from investing in the local area, leading to fewer new homes (including affordable homes), fewer new jobs and facilities being provided, and/or not being provided in the right places to best support the local economy and community. The local community would also be left with little certainty of where and how new development would happen in future years.

- 5.2 An out-of-date local plan also brings the potential risk of “planning by appeal” with the responsibility for decision making being passed from the Council and the local community to the Planning Inspectorate and the Secretary of State, as the council’s existing local plan becomes increasingly out of date. Councils can be directed to prepare a local plan by Government where they have not kept their local plan up to date and can even have plan-making powers taken away, should they fail to progress plan preparation in a timely manner, or refuse to prepare a plan.
- 5.3 The preparation of the Southend New Local Plan and associated documents in close collaboration with neighbouring local authorities is considered to provide the most effective way forward for the Borough, bearing in mind the intention of neighbouring districts to prepare their own local plans. Ongoing co-operation with neighbouring councils and across the wider South Essex area (through ASELA), will continue to progress cross-boundary strategic development issues.

## **6. Reasons for Recommendations**

- 6.1 The recommendations set out in this report are intended to help ensure the expeditious production of a new Local Plan for Southend, which when adopted, will set a clear, up to date planning policy framework to manage and guide future development in the Borough. Once adopted, the Plan will also ensure the Council has strong control of decision making and will continue to be able to make planning decisions, aligned to a clear strategy which has been the subject of widespread public engagement with the local community.

## **7. Corporate Implications**

### ***Contribution to the Southend 2050 Road Map***

- 7.1 The successful delivery of the Southend New Local Plan will contribute significantly to the fulfilment of a number of elements of the Council’s vision, themes and outcomes, for example, meeting local housing needs, improving transport provision and infrastructure, improving economic prosperity, providing for regeneration and protecting and enhancing the natural and built environment. This is set out below.
- 7.2 The delivery of the Southend New Local Plan is included as a Southend 2050 outcome on the Opportunity and Prosperity theme. In addition, it will make an important contribution to recovery and renewal following the impacts of Covid 19.

## The New Local Plan will contribute to the following Southend 2050 Outcomes:



1. There is a tangible sense of pride in the place and local people are actively, and knowledgeably, talking up Southend.
2. The variety and quality of our outstanding cultural and leisure offer has increased for our residents and visitors and we have become the region's first choice coastal tourism destination.
3. We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset.
4. Our streets and public spaces are valued and support the mental and physical wellbeing of residents and visitors.
5. We act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.



2. Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives.
3. We are well on our way to ensuring that everyone has a home that meets their needs.
4. We are all effective at protecting and improving the quality of life for the most vulnerable in our community.
5. Residents feel safe and secure in their homes.



2. Residents feel the benefits of social connection, in building and strengthening their local networks through common interests and volunteering.
4. A range of initiatives help increase the capacity for communities to come together to enhance their neighbourhood and environment.
5. More people have physically active lifestyles, including through the use of open spaces.



1. The Local Plan is setting an exciting planning framework for the Borough.
2. We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities.
4. Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough.
5. 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.
6. Southend provides fulfilling careers for our residents, and enough job roles to match the needs of the population.
7. Southend businesses feel supported to respond to economic shock; adapt to evolving global markets; and, have the tools to preserve their businesses by responding effectively and positively to change.



1. Working with the public transport providers to enhance and encourage the use of the existing provision moving towards a long-term aspiration to open new routes, enabling a wider accessibility to public transport options.
2. People have a wide choice of transport options.
3. We are leading the way in making public and private travel smart, clean and green.
4. Southend is a leading digital city with world class infrastructure that reflects equity of digital provision for the young, vulnerable and disadvantaged.

### ***Climate Change Implications***

- 7.3 There is a legal duty on local authorities to ensure climate change mitigation and adaptation are integrated across all local planning policy. The local plan must also take into account the Council's declaration of a climate emergency and be the spatial expression of the Council's corporate policies and strategies.
- 7.4 Seeking to prevent and mitigating the impacts of Climate Change will be integral to the preparation of the Local Plan. This is included within the draft Aim and Objectives set out in the consultation document. Specific policies relating to Climate Change will be included and gain a prominent focus in the next iteration of the New Local Plan.

### ***Financial Implications***

- 7.5 Financial and human resource input is necessary to fulfil the requirements of all statutory stages in the preparation and delivery of the Southend New Local Plan. It should be noted that taking a development plan document through to adoption does have significant financial implications owing to the statutory process which has to be adhered to.
- 7.6 Funding for the preparation of the Southend New Local Plan was approved as part of the 2019/20 budget and is reprofiled across the years as part of the Resourcing Better Outcomes Outturn report.

### ***Legal Implications***

- 7.7 To meet its objectively assessed housing need, each local authority must engage with adjoining local authorities under the Duty to Co-operate provisions set out in the Localism Act. The Act places a legal duty on local planning authorities to engage constructively, actively and on an on-going basis to maximise the effectiveness of development plan preparation in the context of strategic cross boundary matters.
- 7.8 Local planning authorities should make every effort to secure the necessary cooperation on strategic cross boundary matters before they submit their Local Plan for examination. Local planning authorities must demonstrate how they have complied with the duty at the independent examination of their Local Plan. If a local planning authority cannot demonstrate it has complied with the duty then the Local Plan will not proceed further in examination.



- 7.9 Local planning authorities are responsible for satisfying themselves about whether they have complied with the duty. As part of their consideration, local planning authorities will need to bear in mind that the cooperation should produce effective and deliverable policies on strategic cross boundary matters.
- 7.10 The 'Refining the Plan Options' consultation document and supporting evidence shows that Southend is unable to accommodate all its housing needs to 2040 within the administrative area of the Borough. In such circumstances the Borough Council will continue to engage with Castle Point Borough and Rochford District Councils as neighbouring authorities and other South Essex authorities, to determine whether the shortfall in housing need can be delivered elsewhere. Strategic scale development through the delivery of a series of new neighbourhoods on the edge of Southend including land, within Rochford District, could assist in meeting the Borough's full housing need in the Plan period.
- 7.11 The status of a Local Plan is prescribed in Section 38(6) of the Planning and Compulsory Purchase Act 2004, which gives primacy to the development plan. It states: "if regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise." As such, having an up-to-date Local Plan in place allows the local authority to plan positively and direct development to those sites and locations that are in accordance with the council's strategy for regeneration and growth. It also provides the authority with the framework to robustly defend planning decisions at appeal.

### ***People Implications***

- 7.12 Staff resources from the Strategic Planning Team will continue to be required in order to contribute to the ongoing preparation of the Southend New Local Plan. Support from Performance and Business Support will also continue to be required, particularly with regards to the public consultation process.
- 7.13 As the new local plan is cross-cutting in its coverage, inputs from a number of other Council teams will be required particularly in relation to transport and highways, housing, employment, tourism, recreation, health and well-being, nature conservation and corporate strategy and communication. Local plan preparation can be controversial and requires close co-operation on a range of strategic planning and infrastructure issues, along with clear co-ordination, oversight and strong place-making leadership to help progress the plan successfully.

### ***Property Implications***

- 7.14 A new Local Plan for Southend will provide allocations and planning policy for all land in the Borough, including potentially, some Council owned assets.

### ***Consultation***

- 7.15 One of the key elements of the local planning system is the recognition of the need for early and full community engagement in the preparation of new planning documents. The Southend New Local Plan will be subject to statutory consultation under the 2012 Regulations, as amended. In addition, local plans are subject to an examination in public held by an independent government appointed planning inspector to consider whether the plans are 'sound' and may be put forward for adoption.
- 7.16 The Southend New Local Plan public consultation process will be undertaken in accordance with the Council's adopted Statement of Community Involvement (SCI).

### ***Equalities and Diversity Implications***

- 7.17 An equalities impact assessment will be produced and updated as the Southend New Local Plan progresses. The public consultation will give the opportunity for all sections of the community to input into the plan making process.

### ***Risk Assessment***

- 7.18 The plan preparation timetable for the Southend New Local Plan is challenging. Significant staff resources within the Strategic Planning Team will continue to be required to take forward the plan through its various statutory stages including the examination stages at inquiry before an independent inspector.
- 7.19 If the Local Plan were not to be published and taken forward to adoption, the absence of up-to-date planning policies may result in significant uncertainty for potential investors, with a consequential reduction in new development investment locally, holding back job creation, and the provision of homes, facilities and infrastructure coming into the Borough.
- 7.20 It may also lead to inappropriate development taking place within the local authority area to the detriment of the local environment and supporting infrastructure. In addition, there would be no policy to manage the development of key sites and infrastructure, as well as having adopted planning policy to help secure Government funding particularly in relation to securing significant improvements to infrastructure provision.
- 7.21 A failure to progress a plan could also result in Government intervention where plan making powers are taken away from the Borough Council. The Minister of State for Housing wrote to the Borough Council and other local authorities earlier in 2021 to remind them of the importance of maintaining progress on producing up-to-date Local Plans. The letter also stated that the Minister would consider contacting those authorities where delays to plan-making have occurred to discuss the reasons why the has happened, and to explore what support the Ministry of Housing, Communities and Local Government can offer.
- 7.22 Preparation of the Local Plan will need to be cognisant of future changes to national planning policy and legislation, including those which may result from the Planning White Paper, if brought into legislation in due course.

### ***Value for Money***

- 7.23 The preparation of an up-to-date Local Plan brings significant new investment to an area. That investment manifests itself through the investment in construction of new homes, commercial premises, community facilities and infrastructure. Associated with the delivery of new development comes the ability to provide new affordable homes, the creation of significant new jobs and household income for workers living locally, greater spend to local businesses, developer contributions towards the provision of new community facilities, infrastructure and services, the ability to bid for a wider range of government funds to help facilitate growth and additional funds through council tax, business rates and homes bonus funding etc. to help provide new and improved council services.
- 7.24 In terms of the process of plan preparation itself, the work proposed will be carried out using in-house resources wherever possible. This will have generic benefits in terms of building in-house experience and expertise for officers, as well as utilising local knowledge and experience within the Strategic Planning team which would not be gained otherwise.

### ***Community Safety Implications***

- 7.25 The Southend New Local Plan will seek to improve the natural and built environment (including designing out crime in development and the public realm) thereby contributing towards improving community safety. These issues will be considered in the next stage of Local Plan preparation.

### ***Environmental Impact - Sustainability Appraisal***

- 7.26 All iterations of the Southend New Local Plan will require a Sustainability Appraisal to be undertaken. The Sustainability Appraisal is an assessment of the potential significant social, environmental (including Climate Change) and economic impacts of development. It forms an integral part of the plan making process. It ensures that all policies and proposals are prepared with a view to contributing to the achievement of sustainable development. A Sustainability Appraisal will be made available for comment alongside the Local Plan document as part of 'The Refining the Plan Options' consultation.

### ***Environmental Impact - Habitats' Regulations Screening Report***

- 7.27 Southend-on-Sea and the surrounding districts are home to a number of important designated sites for nature conservation. Habitats' screening is an assessment of the potential significant effects of a policy on European Sites designated for their nature conservation importance. These include Special Areas of Conservation, Special Protection Areas, and international Ramsar sites. As part of the preparation of the Southend New Local Plan each policy included in the plans will need to be assessed for any significant impacts on sites designated of nature conservation value. Policy should only be approved after determining that it will not adversely affect the integrity of such sites.

## **8. Background Papers**

- 8.1 Southend Cabinet Report 19 June 2018 - Southend Development Plan Review:

Comprising South Essex Joint Strategic Plan and Southend New Local Plan

- 8.2 Minutes of the Environment and Planning Working Party
- 8.3 Southend Cabinet Report 16 January 2020 - Southend New Local Plan Update
- 8.4 Southend Cabinet Report 23 February 2021 Southend New Local Plan – Revised and Updated Local Development Scheme
- 8.5 The Town and Country Planning (Local Development) (England) Regulations 2012.
- 8.6 Planning and Compulsory Purchase Act 2004
- 8.7 National Planning Policy Framework (NPPF,2018)
- 8.8 Planning for the Future, Ministry of Housing, Communities and Local Government, March 2020
- 8.9 Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020
- 8.10 Southend Local Development Scheme (2021)
- 8.11 Southend New Local Plan Issues and Options Consultation (February 2019)
- 8.12 Southend New Local Plan Issues and Options Consultation Report Southend on Sea Borough Council, August 2019
- 8.13 Statement of Community Involvement (2020)

## **9. Appendices**

- 9.1 **Appendix 1:** Southend New Local Plan, Refining the Plan Options  
Refining the Strategy for Growth and Change  
Regulation 18 Public Consultation
- 9.2 **Appendix 2:** Southend New Local Plan, Issues and Options Document  
Consultation Report (2019):  
<https://localplan.southend.gov.uk/issues-and-options/issues-and-options-reports>
- 9.3 **Appendix 3:** Non-Technical Summary  
Southend New Local Plan, Refining the Plan Options

# Southend-on-Sea Borough Council

Report of Executive Director (Adults and Communities)

to

Cabinet

on

15<sup>th</sup> June 2021

Agenda  
Item No.

9

Report prepared by: Carol Smith – Adaptation Team Manager

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## Disabled Facilities Grant Policy

Relevant Scrutiny Committee: People  
Cabinet Member: Councillor Gilbert  
Part 1 (Public Agenda Item)

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### 1. Purpose of Report

This report seeks Cabinet approval of the Disabled Facilities Grants Policy for Southend on Sea Borough Council.

### 2. Recommendations

That Cabinet:-

- a. Approve removal of means test for grants under £6,000 (£6,500 for a curved stairlift) to speed up prevention process for applicants.
- b. Approve the circumstances where a discretionary disabled facilities grant can be considered, including relocation grants, special assistance grants and top-up grants.
- c. Approve and agree to adopt the Disabled Facilities Grants Policy document with immediate effect.

### 3. Background

3.1 Disabled Facilities Grants (DFG's) were introduced in 1990, but the principle legal provisions are now contained in the Housing Grants, Construction and Regeneration Act 1996 (HGCRA) and associated regulations.

3.2 In 2002 the government brought in the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 which provide freedom and opportunities for the Local Authority to address housing issues. This Order had important implications for local housing authorities because it repeals much of the existing prescriptive legislation governing the provision of renewal grants to applicants and replaces it with a new wide-ranging power to provide assistance for housing renewal.

In 2008-9 the government extended the scope of the RRO to include use of the DFG money. This enables the authorities to use specific DFG funding for wider purposes.

- 3.3 DFG's are mandatory grants available to disabled people when works to adapt their home are judged necessary and appropriate to meet their needs and when it is reasonable and practicable to carry them out having regard to the age and condition of the dwelling or building. Occupational Therapists working with Southend on Sea Borough Council assess whether any works are necessary and appropriate and decide the best available adaptation options for the disabled person, in conjunction with the Adaptations Team at Southend on Sea Borough Council.
- 3.4 DFG's are generally subject to a 'means test' which means that the applicant's income and savings have to be assessed to determine whether any contributions are required to be made by them towards the cost of the required work.
- 3.5 The maximum amount of a mandatory DFG is currently set by statute at £30,000. In addition the Council is able to provide discretionary assistance using the DFG funding which is outlined in our DFG policy.

#### **4. Other Options**

- a. Not introduce a discretionary Disabled Facilities Grant policy, continuing to only provide the mandatory elements of the DFG.
- b. Continue to means test for all grants as per the mandatory requirements.

#### **5. Reasons for Recommendations**

##### **5.1 Means Test**

- 5.1.1 In addition to the general changes, policy suggestions are described in the following section for Cabinet to consider for approval. These relate specifically to the Means Test Process and Discretionary Assistance.
- 5.1.2 The existing means test is based on the eligibility test for Housing Benefit and was designed to target funding on 'needy' households. It has long been criticised for being complicated, unfair and, in recent years, out of date. The delivery process is often slow and cumbersome, with numerous handovers.
- 5.1.3 Too many people drop out of the process, often because they must contribute to the cost. Nearly 9 out of every 10 applications relate to physical disabilities and 90% of adaptations provided are either level access showers, stair lifts or ramps. The average nationwide cost is around £9,000 but most work in Southend is under £5,000.
- 5.1.4 Subject to all other eligibility criteria being met, we recommend that the means test is removed for adaptations under £6,000 and stair lifts (average cost of which is £6,500).

## 5.2 Discretionary Assistance

5.2.1 It is advised to Cabinet that a DFG policy is recommended for discretionary assistance to be provided in the form of a 'top-up' grant, for when works may exceed £30,000 and all other reasonable options for external financing (charities, etc.) have been exhausted. The revised policy expands the circumstances that discretionary assistance can be provided, to include a 'relocation grant' and a 'special assistance' grant.

5.2.2 It is suggested to Cabinet that a **Top-up grant** to enable discretionary assistance to be provided to disabled persons, where the cost of works exceeds that allowed by the mandatory DFG. This has proved necessary in recent times, due mainly to the rise in general building costs since the £30,000 financial limit was originally set in the mid 1990's

5.2.3 The purpose of the **Relocation grant** is where a mandatory DFG is determined not to be a feasible or reasonable option and the applicant is considering relocating to another more suitable property, which they intend to purchase. Subject to an application to the Council and support from an Occupational Therapist, a discretionary grant may be made available towards specific relocation expenses including estate agent fees, legal costs and removal costs.

5.2.4 The **Special Assistance grant** is intended to help applicants to pay for the cost of adapting their home to meet the needs of the disabled person where this may not be covered by a mandatory DFG. Each case would still need to be supported by a recommendation of an Occupational Therapist. Examples of adaptations that would not generally be covered by a mandatory DFG, but could be considered under a special assistance grant would include, but would not be restricted to:

- The provision of a safe play space for a disabled child
- To provide an area for specialist care or treatment (i.e. a dialysis room.)
- The provision of facilities for a child in foster care (where the length of stay is likely to be years rather than months)
- Adaptations to a second property, where a disabled child is living under a dual residency arrangement, where residency has been split between two parents (or other designated guardian)
- Provision of a storage facility for a mobility scooter, with a fixed charging point

## 6. Corporate Implications

### 6.1 Contribution to the Southend 2050 Road Map

Theme		Outcome
Safe & Well	2	Southend residents are remaining well enough to enjoy fulfilling lives, throughout their lives.
Safe & Well	3	We are well on our way to ensuring that everyone has a home that meets their needs.
Safe & Well	4	We are all effective at protecting and improving the quality of life for the most vulnerable in our community.

## 6.2 Financial Implications

6.2.1 Central Government provides annual capital grant funding towards the adaptations to clients homes and it is administered via the Better Care Fund. The grant is awarded annually. This has been confirmed as £1.721m for 2021/22, which will be added to the sum of £1.556m, which is already included in the Capital Investment Programme over a range of years.

6.2.2 All Councils are required to submit to Central Government an annual declaration that grant conditions have been complied with as well as a return detailing amounts spent on DFGs and other supporting information, such as age of the grant applicant. In practice it has been Council policy for many years that the total grant received from central Government is fully allocated to mandatory DFG spend.

6.2.3 Reallocation of the available capital budget to discretionary grants will reduce the amount available for other mandatory grants by the same amount, as it is taken from the same overall funded budget. As such, it will be important to ensure that any discretionary award is only considered having regard to the value of resources the Council has available at that time and that both the mandatory grants and discretionary grants awarded are contained within the overall allocation for the DFG capital budget.

## 6.3 Legal Implications

6.3.1 The policy requires formal adoption in order to satisfy the requirements of individual Acts of Parliament/ Statutory Instruments and this includes revision or review of such policies.

## 6.4 People Implications

6.4.1 Removing the means test for adaptations under £6,000 and stair lifts (average cost of which is £6,500) will mean we are able to complete our adaptations quicker and positively change peoples lives for the better.

6.4.2 Increasing the number of potential circumstances that discretionary assistance could be provided by the Council through the DFG funding will directly help to improve the lives of some of the most vulnerable residents in the Southend Borough and provide additional support for those persons who care for, or provide them with assistance, on a day to day basis - thus changing their lives for the better.

## 6.5 Property Implications

N/A

## 6.6 Consultation



N/A

## 6.7 Equalities and Diversities Implications

6.7.1 There is a potential for a positive impact on both Adults and Children with Disabilities.

## 6.8 Risk Assessment

N/A

## 6.9 Value for Money

6.9.1 Investment in Aids and Adaptations supports the principle of Home First and often results in a significant reduction in long term care costs.

## 6.10 Community Safety Implications

N/A

## 6.11 Environmental Impact

N/A

## 7 **Background Papers**

## 8 **Appendices**

Disabled Facilities Grants Policy May 2021

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# Disabled Facilities Grant Policy

April 2021

Department Name ADAPTATIONS TEAM

- **Strategy or policy:** Disabled Facilities Grants Policy
- **Date adopted:** TBA.
- **Date of next review:** TBD

**Southend 2050 Outcomes: -**

- Southend residents 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 effective at protecting and improving the quality of life for the most vulnerable in our community.
- Residents feel safe and secure in their homes.

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## 1. Introduction

- 1.1 Adaptations are needed by many disabled people so that they can remain safe and independent in their own home. They can be needed by people of all ages, but as our population ages and life expectancy increases, the number of people needing assistance to adapt their homes is expected to grow.
- 1.2 Disabled Facilities Grants (DFGs) are mandatory grants available to disabled people when works to adapt their home are judged necessary and appropriate to meet their needs and when it is reasonable and practicable to carry them out having regard to the age and condition of the dwelling or building.
- 1.3 Southend on Sea Borough Council is committed to helping vulnerable and disabled residents and will administer Disabled Facilities Grants (DFGs) (and other forms of assistance such as discretionary grants, where available) to help them achieve a home which meets their needs.
- 1.4 This policy document sets out how the Council will use its resources to help those who need disabled adaptations and how decisions will be made about the help that it gives.

## 2. Regulatory Framework

There are a number of legal provisions governing DFGs and the application process including:

- Housing Grants, Construction and Regeneration Act 1996 (“The Act”) (as amended)
- Housing Renewal Grants (Services and Charges) order 1996
- The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to Approval or payment of Grant) General Consent 2008
- The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (“The Order”)
- The Housing Renewals Grants (Amendment)(England) Regulations 2008
- The Disabled Facilities Grants (Maximum Amounts and Additional Purposes)(England) Order 2008
- Delivering Housing Adaptations for Disabled People – A good practice guide (June 2006)
- The Equalities Act 2010

## 3. Definition of a Disabled Person

- 3.1 For the purposes of the legislation relating to DFG’s a person is defined as being disabled if:
  - Their sight, hearing or speech is substantially impaired;
  - They have a mental disorder to impairment of any kind; or
  - They are physically disabled by illness or impairment present since birth or otherwise

- 3.2 A person aged 18 or over is considered disabled if:
- They are registered as a result of arrangements made under section 29(1) of the National Assistance Act 1948; or
  - They are a person for whom welfare arrangements have been made under that section or might be made under it.
- 3.3 A person aged under 18 is considered disabled if:
- They are registered as a disabled child maintained under the Children Act 1989; or
  - In the opinion of the Social Services Authority (Essex County Council) they are a disabled child as defined for the purposes of Part III of the Children Act 1989.

## 4. Responsibility

- 4.1 The Housing Grants, Construction and Regeneration Act 1996 gives to Southend on Sea Borough Council as a local housing authority, the statutory duty for providing DFGs. The Council cannot, by law, refuse to process a properly made DFG application that it receives from an owner-occupier or tenant. If the eligibility criteria and proper process are satisfied, the Council must approve the appropriate grant providing funds are available.

## 5. Eligibility for DFG Grant Assistance and Grant Limit

- 5.1 DFGs are available to homeowners, owners of qualifying houseboats, owners of qualifying park homes, tenants of private landlords and tenants of Housing Associations. Grants are also available for adaptations to the common parts of buildings containing one or more flats.
- 5.2 Each case must be supported by a recommendation from an Occupational Therapist working with Southend on Sea Borough Council Social Services. Should an applicant provide an independent Occupational Therapist's recommendation, the Council will consult with the Occupational Therapy Service at Southend on Sea Borough Council, before processing the application.
- 5.3 The Council reserves the right to refuse grant assistance where the works are not necessary, appropriate, reasonable, practicable, are excessively expensive and/or where the property is not suitable for adaptation. If appropriate the Council may offer a discretionary DFG, in the form of a relocation grant to help the applicant move to a more suitable dwelling.
- 5.4 There is no restriction on multiple DFG's for the same property and depending on the time lapse between applications, there is provision for any means tested contribution made on the first grant not to be taken into account on subsequent application. This is five years for a tenant's application and 10 years for an owner occupier's application.
- 5.5 The maximum amount of grant is set by statutory instrument. The current statutory limit on the maximum amount of mandatory DFG is £30,000. The Council may consider payment of an additional discretionary grant in exceptional circumstances.



## 6. The Mandatory DFG Eligibility Criteria

6.1 DFGs are available to fund adaptations to the homes of elderly, vulnerable or disabled residents to enable them to live independently at home or be cared for at home. Grants are dependent on:

- The works being necessary and appropriate.
- The works being reasonable and practicable; and
- A financial assessment where appropriate, to establish the applicant's eligibility for a grant.

6.2 Eligibility criteria for DFGs are laid out in Section 23 of The Housing Grants, Construction and Regeneration (As Amended) Act 1996 and primarily relate to accessing principal rooms within the home and accessing and using essential facilities including access to gardens and outside areas of a property.

### 6.3 Works that are eligible for a mandatory disabled facility grant

A mandatory DFG may be given for the following types of work:

**Facilitating Access** - For works to remove or help overcome any obstacles that prevent the applicant from moving freely into and around the dwelling. This may include access to the garden or yard (front, side, or rear) which means immediate access from the dwelling, it does not include landscaping.

**Making a Dwelling or Building Safe** - Adaptations to the dwelling or building to make it safe for the applicant and other persons living with them.

**Access to a Family Room** – Works to ensure the applicant has access to a room used for or usable as the principal family room.

**Access to a Room usable for Sleeping** - The provision of a room usable for sleeping where the adaptation of an existing room in the dwelling (upstairs or downstairs) or the access to that room is unsuitable in the particular circumstances.

**Access to a Bathroom** - The provision of, or access to, a WC, washing, bathing and/or showering facilities.

**Facilitating Preparation of and Cooking of Food** - The rearrangement or enlargement of a kitchen to improve the access for a wheelchair and to provide specially modified or designed storage units, work top area etc. Where most of the cooking and preparation of meals is done by another household member, it would not normally be appropriate to carry out full adaptations to the kitchen.

**Heating, Light and Power** - To provide or improve the existing heating system in the dwelling to meet the applicant's needs. A grant will not be given to adapt or install heating in rooms which are not normally used by the applicant.

Provision is also made under this category for the adaptation of heating, lighting, and power to make them suitable for use by the applicant.

**Dependent Residents** - Works to enable the applicant better access around the dwelling in order to care for another person who normally resides there whether or not they are related to the applicant.

**Common Parts** – Works to facilitate access to a dwelling through the commonparts of a building, but consent must be obtained from the freeholder / leaseholder prior to any works taking place.

## 7. Discretionary DFG assistance – General

7.1 In certain circumstances the council may consider offering a discretionary grant. Three types of discretionary assistance are available from Southend on Sea Borough Council

- Top up assistance (see 7.5)
- Special assistance (see 7.6)
- Relocation assistance (see 7.7)

7.2 Whilst the Council do not have to provide discretionary assistance it will consider applications on a case-by-case basis with a view to maximising independence, health and wellbeing.

7.3 Any discretionary award will only be considered having regard to the amount of available resources the Council has available at the time. If the Council does not have sufficient resources to deal with outstanding mandatory referrals, the Council reserves the right not to approve any discretionary assistance.

7.4 All discretionary grants to owner-occupiers will be recorded as a charge on the land registry and will remain indefinitely. The grant will be repayable in full where a dwelling is disposed of whether by sale, assignment, and transfer of the title or otherwise for any reason and funds reimbursed to the DFG funding. This is over and above the mandatory repayment requirements outlined in section 29.

7.5 For discretionary grants to privately rented properties, tenants must provide proof of intention to remain at the property for at least five further years. The most appropriate evidence of this is an Assured Shorthold Tenancy (AST) for a minimum of at least 5 years signed by both landlord and tenant, unless the Council considers it unreasonable in the circumstances to seek such arrangement. The Landlord will also be required to sign confirmation that the tenant is to remain living in the property for 5 years from the date of the grant application, thus enabling the long-term use of the adaptations.

### Discretionary DFG Assistance – “Top Up Assistance”

7.5.1 A discretionary top up grant may be considered where the cost of the proposed adaptation works exceed the maximum mandatory DFG limit of £30,000. However, the grant applicant must also meet the criteria for a mandatory DFG.

- 7.5.2 The discretionary DFG top-up grant will be subject to the same financial means test as a mandatory DFG unless the relocation is for a disabled child, in which case no such test will be applied.
- 7.5.3 The Adaptations Team Manager is authorised to agree a discretionary grant of up to £10,000 in exceptional circumstances subject to budget availability. Discretionary top-up grants in excess of £10,000 up to a maximum of £30,000 will be determined in consultation with the relevant Director of Services (Adult or Children). In exceptional circumstances where works exceed the grant limit for both mandatory and discretionary this will be taken to the Executive Director (Adults or Children's) for decision. (i.e., over £60k)
- 7.5.4 Before approving a top-up grant, the Council will have expected the applicant to have exhausted all other reasonable options with which to raise the required funds for any works over and above the £30,000 mandatory limit. This is to ensure a fair allocation of funding between the many applications received by the Council every year. Examples of these include, but are not restricted to:
- Equity release for owner occupied property
  - Bank loans
  - Charity Grants / Contributions
- 7.5.5 The Council reserves the right to decline any request for top up assistance if sufficient written evidence of the above is not provided.

### **Discretionary DFG Assistance – Special assistance**

- 7.6.1 A Discretionary Disabled Facilities “Special assistance” grant may be considered to help applicants pay for the cost of adapting their home where this is not covered by the mandatory DFG.
- 7.6.2 Each case must be supported by a recommendation from an Occupational Therapist working with Southend on Sea Borough Council. The Council reserves the right to refuse grant assistance where the works are not necessary, reasonable, practicable, or are excessively expensive or where the property is not suitable for adaptation.
- 7.6.3 Discretionary Disabled Facilities Grants Assistance will be considered to fund the following types of adaptations to enable an applicant to remain living in their own homes:
- a) To make the dwelling suitable for the applicant. Examples include:
    - The provision of a safe play space for a disabled child
    - The provision of more suitable internal arrangements which would directly benefit the applicant.
  - b) To make the dwelling suitable for the employment of the applicant within the existing footprint of the dwelling (examples include the provision or adaptation of a room for the applicant to use as a work area). Any such

assistance would be subject to the applicant obtaining any relevant planning permission that may be required for working/running a business from the dwelling.

- c) To provide an area for specialist care or treatment (e.g., provision of a dialysis room).
- d) The provision and installation of ceiling track hoists.
- e) The provision and installation of a dropped kerb to facilitate access to a hardstanding located within the curtilage of the applicants dwelling.
- f) The provision and installation of an appropriate storage facility for a mobility scooter with a fixed charging point.
- g) Provision of facilities for a child in foster care, where the likely length of care at a dwelling is likely to be years, rather than months.
- h) Provision of additional facilities in a second property in circumstances where a disabled child is living under a dual residency arrangement, where residency is split between the parents (or other designated guardian.)

This list is not exhaustive and other works may be considered subject to an Occupational Therapists recommendation being received by the Council.

- 7.6.4 Depending on the value of the works, the Discretionary Disabled Facilities “Special Assistance” grant, may be authorised by the Adaptations Team Manager in consultation with the Head of Service for Adults and the Head of Children Services for children where appropriate.

### **Discretionary DFG Assistance – Relocation Grant**

- 7.7.1 A discretionary relocation grant may be available to an applicant who owns or privately rents their dwelling if adaptation of their current home through a mandatory DFG is determined not to be a feasible or reasonable option and they are considering relocating to a suitable property they intend to purchase.
- 7.7.2 Applicants must be aged 18 or over on the date that the application is made and in the case of a disabled child, the parents would make the application.
- 7.7.3 Any such application must be supported by a recommendation from the Occupational Therapy Service at Southend on Sea Borough Council.
- 7.7.4 The Council and the Occupational Therapist must both be satisfied that the proposed dwelling already meets the needs of the applicant without further adaptation or are satisfied that it can be adapted at a reasonable cost.
- 7.7.5 Applicants must be relocating within the Southend on Sea Borough. Consideration may be given to a move in Essex, but this would require:
- The approval of the relevant district/borough council

- The council would not be expected to fund adaptations at the new dwelling.
- 7.7.6 The cost of the discretionary relocation grant together with the cost of any adaptations required to the new dwelling must demonstrate value for money, whether the move is within the Southend on Sea Borough or another district / borough within Essex.
- 7.7.7 Applications must be submitted prior to relocation; grants cannot be paid retrospectively.
- 7.7.8 Assistance will not be made available towards the purchase price of a new dwelling.
- 7.7.9 The Council will normally require two quotations from independent contractors that realistically reflect the cost of the works / service being provided. In some circumstances, one estimate may be accepted if the Council is satisfied that the cost is reasonable.
- 7.7.10 All applicants will be required to complete the move within 12 months from the date of approval of their application.
- 7.7.11 If on sale of the applicants existing dwelling, a net equity of more than £10,000 is released, the discretionary relocation grant will only fund the physical removal costs.
- 7.7.12 Net equity refers to any equity released when the purchase price of the new dwelling is less than the existing dwellings selling price.
- 7.7.13 If the move is aborted through the fault of the applicant, then the grant will not be paid, and any monies already paid will be reclaimed from the applicant. If the reason for the move falling through is, in the opinion of the Council, not the fault of the applicant, then the Council will cover the full costs.
- 7.7.14 The new dwelling must be the applicant's main residence and no applicant will be awarded a discretionary relocation grant on more than one occasion.
- 7.7.15 If the applicant moves from the new dwelling within 5 years or if the dwelling is disposed of whether by sale, assignment, transfer of the title or otherwise, for any reason within a period of 5 years, the grant must be paid back in full to the Council unless there are exceptional circumstances. SBC would expect the applicant to sign a certificate advising occupancy for the next five years.
- 7.7.16 The discretionary relocation grant will be subject to the same financial means test as a mandatory DFG unless the relocation is for a disabled child in which case no means test will be applied.
- 7.7.17 A discretionary disabled facilities "relocation assistance" grant may be authorised by the Adaptations Team Manager, in consultation with the Head of Service.

## **8. Suitability and Feasibility of an Adaptation for a Customer**

### **8.1 Necessary and Appropriate**

Necessary and Appropriate works are determined through an assessment of the applicant and their home environment by an Occupational Therapist from Southend on Sea Borough Council. This concentrates on the applicant's ability to remain living independently in their own home and must distinguish between works which are desirable, and those, which are necessary and appropriate.

## 8.2 Reasonable and Practicable

There are times when it is simply not reasonable and practicable to adapt a property, for instance where there are excessive changes in level; where there are space constraints; or where moving existing services is prohibitively expensive. Rather than investing funding to poorly adapt a property, grants may be declined because the works are not reasonable and practicable. This would normally be determined by the Adaptations Surveyor and Occupational Therapist via a joint visit to see if the adaptations are feasible before proceeding.

## 9. The Disabled Facilities Grant Process

### Prioritisation

- 9.1 Prioritisation of cases is most often based on date of receipt of referral of a report from the Occupational Therapist. However, where an Occupational Therapist makes additional requests for critical or emergency assistance, this additional information will usually be taken into account, when deciding on a prioritisation for an individual case.
- 9.2 The Council however reserves the right to start processing some cases out of strict priority order in exceptional circumstances (as determined by the Adaptations Team Manager) for instance, where it is determined that it is necessary to ensure efficient allocation of staff resources, or budget allocation and spend.

### Grant Application

- 9.3 Should the proposed recommendations require a pre application feasibility study, an Occupational Therapist at Southend on Sea Borough Council and Adaptation Surveyor from the Council will meet to discuss this matter. The Council, as a Statutory Regulator of the Housing Act 2004 is unable to allow works to take place which will result in the creation of Housing Health and Safety Rating System Hazards.
- 9.4 If the applicant is the tenant of a private landlord or Housing Association, the landlord/owner must give permission for the work to be carried out. Fixed items such as level access showers will usually become the property of the owner and the Council will not reinstate the original bathroom if the tenant moves out of the rented property.

## 10. Financial Assessment (The Means Test)

- 10.1 Applications for Disabled Facilities Grants are generally subject to a Means Test. Recommendations for adaptations that cost under £6,000 (or a curved stairlift up to £6,500) will be exempt from the means test enabling a faster process for the

resident – see 11.1.08 below.

- 10.2 As part of an application for a mandatory DFG and for works in excess of £6,000, a test of resources (financial means test) must be carried out in order to assess the amount, if any, that the applicant must contribute towards the cost of the proposed adaptation works.
- 10.3 The means test applies to the applicant (if aged over 18) and any spouse or partner. The applicant is required to provide information about all sources of income, including rent from another property, and all savings to provide evidence to support information given in the application form.
- 10.4 Applicants who are in receipt of one of the following types of income and can provide evidence at the time of assessment, will be “passported” through the means testing process and will not be required to make a contribution towards the cost of the proposed adaptation works:
- Income Support
  - Income Based Job Seekers Allowance
  - Guarantee Pension Credit
  - Housing Benefit
  - Working/Child Tax Credit (if income for tax credit is below a specified amount)

Note: This list is prescribed by central government and may be amended from time to time.

- 10.5 Where the result of the means test is a ‘nil’ contribution, it is accepted that the applicant will automatically wish to proceed with the application. Where the result of the means test is such that the applicant’s contribution is likely to be less than the total cost of the works the applicant will be required to confirm in writing their intention to proceed with their application on this basis.
- 10.6 Where the result of the means test is such that the applicant’s contribution is equal to or likely to exceed the cost of the works the applicant can request the Council to approve a ‘nil’ grant, however the applicant will be responsible for the costs of the works if they decide to proceed. This will also enable the cost of these works to be deducted from any future application for a DFG so long as any subsequent OT recommendation is received within 10 years from the approval of the ‘nil’ grant (5 years for a tenant’s application).
- 10.7 Where an applicant is unable to meet their assessed financial contribution under the means-test for a mandatory DFG and in the absence of any suitable affordable alternative, the Council may in exceptional circumstances provide the applicant with Discretionary Disabled Facilities Grant Assistance to enable the works to proceed, subject to the exhaustion of alternative funding options. Alternatively, if the applicant is an owner-occupier, we can offer a deferred loan against the property to be repaid when the property is sold.
- 10.8 Where the cost of the proposed adaptations is under £6,000 or require a curved stair

lift to £6,500 and the applicant is subject to all other eligibility criteria being met, the means test is removed. This will mean we are able to complete our adaptations quicker and positively change people's lives for the better. This will also reduce the amount of residents who do not proceed with urgent adaptations because they are unable to pay a contribution towards the costs.

## 11. DFG Application Conditions

- 11.1 All applications for assistance must be made on the appropriate Council application forms and shall be accompanied by all relevant supporting documents. The minimum age for applicants is 18 years of age at the date of application and in the case of joint applications, at least one person must be over 18 years of age at the date of the application. Grant applications for children under 18 years of age are completed by an authorised parent or guardian.
- 11.2 In making an application the applicant shall give the Council permission to share such given information with other Council services and departments or other statutory agencies by signing the Data Protection statement.
- 11.3 Private sector tenants may make applications where they are eligible for assistance, but the Council will require written consent from the owner of the property before approving the DFG.
- 11.4 Tenants of a Registered Social Housing Provider (RSHP) may make applications where they are eligible for assistance, but the Council will require written consent from the relevant RSHP.
- 11.5 South Essex Homes tenants in all cases should approach South Essex Homes in the first instance as the Council has funds set aside for disabled adaptation works in their own properties.
- 11.6 The adaptation works must be carried out in accordance with any plans, specifications and schedules provided by the Council.
- 11.7 Quotations for adaptation works must be provided on the specifications and schedules provided by the Council for this purpose and must be itemised and totalled on each page. Provisional sums are not acceptable except in cases where for example scaffolding *may* be required or where exploratory works *maybe* required. Works covered by insurance claims or work that should have been covered by such, will not be eligible for DFG assistance of any kind.
- 11.8 The Council will not normally approve any DFG application if the relevant works have started before the application is approved. One exception to this rule is where an authorised officer has already carried out an inspection of the dwelling and has agreed in writing that the works may commence, due to particular risks to the health and safety of the disabled applicant.
- 11.9 DFG assistance will only be approved for the benefit of the disabled applicant where they are able to provide evidence of a valid National Insurance Number.



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## 12. Decision Making Criteria

12.1 The Council will use the following criteria as part of its decision-making process:

- The DFG works should fully and properly meet the applicants assessed needs.
- The works funded by the DFG will be the simplest and most cost-effective adaptations
- The change of use of existing rooms or the re-ordering of rooms will be the preferred solution and will take precedence over both the construction of extensions and the installation of specialist equipment.
- Generally, the DFG will only fund one facility to a dwelling e.g., only one external door will be provided with a ramped access to the outdoors.

## 13. Alternative Scheme of Works

13.1 In certain circumstances a grant up to the value of the estimated cost of providing an adaptation can be used to contribute towards an alternative scheme. In any such case the following criteria must be met:

13.2 The proposed alternative scheme shall meet the applicant's needs as assessed by the Occupational Therapist and put forward in the original recommendation.

13.3 The Council must be satisfied that the applicant has sufficient financial resources to complete the alternative scheme, including a contingency sum of 10% of the total cost of works to account for any unforeseen works.

13.4 The applicant must refer to the SBC list of approved contractors for the proposed works. The Council reserves the right to seek an alternative estimate where those provided by the applicant seem either excessive or inadequate.

13.5 The Adaptation Surveyor shall design/control the works and shall certify their satisfactory completion. The applicant is responsible for any additional costs of designing the alternative scheme and for obtaining building regulation approval and/or planning permission where necessary.

13.6 The Council will only pay an amount equal to the cost of the works originally recommended by the Occupational Therapist. The Council will not pay for the DFG approved works until all works have been completed and certified as satisfactory by the Council or its agent.

13.7 The Council's payment shall be the final part payment made towards completion of the alternative scheme and will not be paid until the Council receives confirmation from the contractor that all other monies owing have been paid in full by the applicant. Payment will be subject to the Council or its agent inspecting the works and certifying the scheme as fully completed to its satisfaction (inside and out).

13.8 The alternative scheme must be completed within 12 months of the DFG being approved, unless a written request for an extension to the time limit is received within

6 weeks of the 12-month period expiring. Extension to the mandatory time limit for completion of the works will be at the discretion of the Council and the applicant should not assume that such a request will be agreed.

- 13.9 Where the alternative works are not completed within the 12-month time period allowed and where the Council has not received a written request to extend this period, the DFG will be void.
- 13.10 No variation of the approved DFG will be made for any additional unforeseen works; all such costs are to be borne by the applicant.
- 13.11 If, for whatever reason, during the course of the works, the need for them ceases, the DFG will not be paid in full.

## **14. Two Disabled Occupiers in the same Household**

- 14.1 Where two disabled people occupy the same dwelling as their main residence and both have individually assessed needs by an Occupational Therapist, depending on the adaptations, there may be a case for considering two separate DFG applications (for example, this is more likely to affect families with more than one disabled child.)

## **15. Approval of a DFG**

- 15.1 Although the Council is statutorily obliged to approve valid mandatory DFG applications within six months, where possible, the Council will aim to approve applications within 30 days of them being determined as complete and valid.
- 15.2 In the case of discretionary DFG's, the Council will aim for the same timeframe as above but mandatory DFG's may take preference if the Council needs to consider how to make best use of its available resources.
- 15.3 The Council will not normally approve a Disabled Facilities Grant application where the relevant work has already begun.
- 15.4 The Council will not approve an application for a Disabled Facilities Grant if the relevant works have already been completed.

## **16. Works on Site**

- 16.1 Though the DFG is an agreement made between the grant applicant and the Council, all works relating to the Disabled Facilities Grant are a contractual agreement made between the grant applicant and the contractor. The contractor is working for the grant applicant and not the Council.
- 16.2 The Council will be responsible for supervising the work of the contractor. The contractor must notify the Council of the date that they agree the works shall commence.
- 16.3 The Council will not be responsible for any damage caused by the applicant or household members once the installation has been completed.

## 17. Unforeseen Works

- 17.1 Additional DFG funding will only be provided for unforeseen works where it is proven that this is required to allow the completion of the eligible or associated works, it is needed to protect the health and safety of the applicant, and it could not have reasonably been foreseen at the time of the contractor pricing for the contract.
- 17.2 No unforeseen works can commence until written confirmation from the Council has been received as to whether these works are reasonable in terms of cost, are truly unforeseen and whether the works are necessary.

## 18. Abortive Works

- 18.1 This term relates to situations where a DFG application has been aborted before all works have been completed, for example, where the applicant has died.
- 18.2 In such circumstances, consideration will be given to payment of a proportion of the grant assistance in line with current legislation and guidance and at the discretion of the Adaptations Team Manager.

## 19. Completion of Works

- 19.1 The contractor shall notify the Council on the day that the adaptation works are completed. This will enable the Adaptations Surveyor to schedule an appointment to inspect the works at the earliest opportunity, thus expediting payment to the contractor.

## 20. Disputes with Workmanship

- 20.1 Where a dispute arises regarding the standard of a contractor's workmanship, the Council will withhold payment to the contractor until the works have been completed satisfactorily in the professional opinion of the Council.
- 20.2 Where works are deemed to meet the Council's approval, but the grant applicant is not satisfied the Council will not unreasonably withhold payment to the contractor.

## 21. Maintenance and Warranties (General)

- 21.1 When equipment is installed under a Disabled Facilities Grant, the grant applicant becomes the owner of the equipment and is therefore responsible for maintenance and repairs or for removing equipment once it is no longer required beyond any warranty and maintenance periods already paid for, and included in the grant, by the Council.
- 21.2 Once the DFG works are completed the Council will not finance or organise servicing, repairs, or maintenance after the expiry of any applicable warranty period, which is usually 12 months, with the exception of stairlifts provided through the SBC framework agreement.

## 22. Payment of Grant

- 22.1 The Council will pay the contractor following the final inspection visit as long as the works have been carried out to its satisfaction and in accordance with the Occupational Therapist's recommendation, the schedule of works, the surveyor's plan and the completion of relevant certificates e.g., Gas Safe Certificates, Electrical Installation Certificates, etc.
- 22.2 Payment will only be made on production of a final invoice.
- 22.3 Where there is an assessed applicant contribution, the Council will make the grant element of the payment to the contractor and the applicant will pay the contractor directly any assessed sums as calculated under the means test.
- 22.4 The Council will not consider requests for interim payment to the Contractor prior to the commencement of works. It will also not approve interim payments of more than the value of any completed works and, in aggregate no more than 90% of the total approved cost of the work will be paid before final completion.

## 23. Changes in Circumstances

- 23.1 Applicants must inform the Council of all changes in their circumstances from the date of making their enquiry through to approval and commencement of the works. Such examples may include
- Where the works cease to be necessary or appropriate to meet the needs of the applicant.
  - The applicant ceases to occupy the dwelling; or
  - The applicant dies.
- 23.2 In the circumstances outlined above, the Council has the right to demand the repayment of the grant that has already been paid, together with any interest. However, such cases will be considered on their own merit.

## 24. Cases in which a DFG may be Re-calculated, Withheld or Repaid

- 24.1 The Council is entitled to refuse to pay a grant; to refuse to pay further instalments on a grant or may recalculate the grant in circumstances such as:
- The grant was approved on the basis of inaccurate, incomplete or false information
  - The cost of the works is different to the original estimates so requires a recalculation
  - Additional works have been undertaken without prior authority of the Council

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## 25. Removal of Adaptations and Reinstatement Works

- 25.1 The Council will not be responsible for removing adaptations if they are no longer required.
- 25.2 The Council will not carry out any reinstatement works to previously adapted properties.
- 25.3 If an applicant changes their mind about an adaptation once the works have been completed, the Council will not remove or carry out further adaptation works unless there has been a significant change in the applicant's medical condition.

## 26. Replacement of Facilities & Specialist Equipment

- 26.1 The Council will only consider replacing damaged, broken, or worn-out facilities and/or equipment under a further DFG providing it:
- Cannot be repaired.
  - Has not been wilfully damaged.
  - Still meets the needs of the applicant.
  - Has been annually serviced and/or maintained, where applicable, and the warranty period has expired.
- 26.2 A further DFG will not be considered where a facility or equipment that was present in the dwelling previously has been removed by, or under the instruction of, the applicant unless there is a proven good reason for the removal.

## 27. Registered Social Housing Providers

- 27.1 RSHP's have a prescriptive duty of care to their tenants and must meet certain standards and targets relating to the condition of their dwellings such as The Decent Homes Standard, and they are able to access other sources of funding due to their status.
- 27.2 The Council therefore expects RSHP's to conform to these duties on behalf of their tenants, which would include the provision of disabled facilities adaptations for their own tenants.
- 27.3 In all cases where the Council receives a DFG recommendation for a tenant of a RSHP, they will be issued with a formal written request for a financial contribution towards the cost of the adaptation works.

## 28. Grant Repayment Conditions (Mandatory Only)

- 28.1 The Disabled Facilities legislation allows the Council to place a charge on a property to reclaim a proportion of the grant monies in the event that it is sold or disposed of.
- 28.2 In accordance with this repayment requirements will apply where the applicant disposes of the premises (whether by sale, assignment, transfer, or otherwise), in respect of which a Disabled Facilities Grant was paid, within 10 years of the certified

date of completion of works. This will apply to grants over £5,000 with a maximum repayment condition of £10,000. Grants below £5,000 will be exempt from repayment.

- 28.3 Repayment will also be required if a property is transferred from one person to another, whether or not this involves members of the same family, including situations where no monies are involved in the transaction.
- 28.4 The amount that is required to be repaid (if any,) will be recorded as a charge against the relevant property. Applicants who do not wish a charge to be placed against their property and have the resources to do so, may pay this amount to the Council prior to the charge being placed, or may repay the charge at any stage afterwards, by contacting the Council and asking for a settlement figure. A calculation of the reimbursed cost on a will be made once a completion date is received from the Solicitor on behalf of the applicant.
- 28.5 Where a premises for which Southend on Sea Borough Council has approved a Disabled Facilities Grant is disposed of, the Council will normally seek to recover the value of the grant that it is legally entitled to recover, unless there are exceptional circumstances.

## **29. Appeals, Complaints and Compliments**

- 29.1 In the first instance any issues should be brought to the attention of the authorised officer dealing with the application.
- 29.2 If you remain dissatisfied, to escalate any matter of concern, please access the Corporate Complaints Process on the Southend on Sea Borough Council web site.

## **30. Amendments to Policy**

- 30.1 Minor amendments to the DFG policy and guidance may be made by the Adaptations Team Manager in consultation with the Head of Service. Significant changes must be formally approved by the Council's Cabinet.

# Southend-on-Sea Borough Council

Report of Executive Director, Children & Public Health  
to  
Cabinet

on  
15<sup>th</sup> June 2021

Report prepared by: Chris Sandercombe, Head of Service,  
A&I, CWD, Placements & Resources

Agenda  
Item No.

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## Special Guardianship Order (SGO) Updated Policy

People Scrutiny Committee  
Cabinet Member: Councillor Burton  
Part 1 (Public Agenda Item)

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### 1. Purpose of Report

This report sets out changes and updates to the Special Guardianship Order (SGO) Policy including changes to the financial support provided by the Council when a Special Guardianship Order (SGO) is made by the Family Court. The updated policy also sets out how the Council will respond to requests for financial support throughout the term of an SGO.

### 2. Recommendations

Cabinet is asked to:

- 2.1 Endorse the revised SGO policy attached as Appendix 1.
- 2.2 Note the need to revise the Policy following the recommendation from the Local Government Ombudsman.
- 2.3 Cabinet note the financial implications of the new policy for previous years and also for new cases going forwards

### 3. Background

- 3.1 A SGO, is an order made by the Family Court that is one of the options for permanency for children and means that children will not remain looked after by the Council (LAC).
- 3.2 A SGO can be recommended by the Council when a family member is assessed to be an appropriate carer, or when a family member makes it known to the Court that they wish to be a special guardian. It is intended to be irrevocable like adoption although the effect does not continue into adulthood. Nevertheless, the making of such an order attracts an enhanced

level of scrutiny by the court which is why a robust policy is necessary to underpin the support services plan.

3.3 It is usually an option considered as part of care proceedings rather than a free-standing private law application. Any potential special guardian is assessed by the Council which reports their assessment to the court.

3.4 Regulations and the Government statutory guidance provide that the Council should as part of any SGO support services plan consider and provide when necessary financial support. So as part of the assessment to the Court the Council is required to include a SGO support services plan including details of the financial support to be provided to support the SGO.

3.5 The changes within the revised SGO Policy relate to how financial support is calculated on a transitional basis. If financial support is included within the SGO support services plan then this Council is required to respond to a request from a special guardian at any time during the term of the SGO even if they move to another area.

3.6 The other change is the way in which the Council responds to requests for financial support. The updated Policy now requires the Council to include a financial means test when a special guardian requests financial support at any time during the SGO term.

#### **4. Other Options.**

4.1 The change in Policy coincides with how the LGO has interpreted the Government Statutory Guidance.

#### **5. Reasons for Recommendations**

5.1 The recommendations enable the Council to comply with a recommendation made by the Local Government Ombudsman's (LGO) following a finding from the LGO that the Council's Special Guardianship allowance practice was not fully in line with legislation, statutory practice, and case law. The updated SGO policy, attached as appendix 1, has been accepted by the LGO.

5.2 The recommendations will ensure that special guardians receive the correct financial payment and following a review of all special guardians who did not receive the correct payments, for the 2-year transitional period, under the previous SGO policy, backdated payments are currently being arranged.

#### **6. Corporate Implications**

N/A

##### **6.1 Contribution to the Southend 2050 Road Map**

N/A



## **6.2 Financial Implications**

- 6.2.1. A review of all cases where the two-year transitional arrangements were in place, dating from 2013 until the date of the LGO findings has been completed. The reviewed calculations, as directed by the LGO have been applied to all new cases, calculated and restitution will be made to the 46 children where the two-year transitional payments were applied.
- 6.2.2 The amount calculated as a liability is approximately £200,000. Given, this £200,000 is a back dated liability, the cost has already been accounted for within the 2020/21 Children Social Care overall financial position and therefore total balances of the Councils General Fund. This then also means as the payments will be made post 1st April 2021, it will have no impact on the 2021/22 Children Social Care financial position as they have already been previously accounted for in 2020/21.
- 6.2.3 Moving forward, as part of the budget setting process for 2021/22, Council in February 2021 agreed a new investment of £50,000 per year for SGO kinship allowances. The Funding and allowance rates due are based on eligibility and will be administered in accordance with this updated policy, but this new approved investment will enable up to 25 child cases to be supported each year from the new annual budget of £50,000.

## **6.3 Legal Implications**

The LGO has already indicated his agreement with the proposed revisions to the SGO policy to bring this into line with regulations statutory guidance and case law. If the changes to this policy are not implemented this will leave the Council with the continuing prospect of future challenges.

## **6.4 People Implications**

N/A

## **6.5 Property Implications**

N/A

## **6.6 Consultation**

N/A

## **6.7 Equalities and Diversity Implications**

N/A

**6.8 Risk Assessment**

Noncompliance would leave the LA open to Judicial Challenge or further referrals to the Ombudsman.

**6.9 Value for Money**

N/A

**6.10 Community Safety Implications**

N/A

**6.11 Environmental Impact**

N/A

**7. Background Papers**

N/A

**8. Appendices**

Appendix 1: Revised SGO Policy

Appendix 1

# Special Guardianship Policy

March 2021 – Chris Sandercombe

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CIVIC CENTRE, VICTORIA AVENUE, SS26AU –  
Department of Children and Public Health

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## 1. Introduction.

Southend Borough Council will ensure that all children that are looked after have a plan drawn up for their permanence. Special Guardianship is one of several options for permanency that can be considered. The guiding principle that Southend apply is what is the best option needed for each of these children. Southend embraces the value of special guardianship in providing permanence for children and young people on the edge of care, and those receiving safeguarding interventions, who would otherwise enter care. It is important that children who are not (or were not) looked after are not unfairly disadvantaged.

Special Guardianship is a legal order made by the court that secures or allows a child or young person to live with someone permanently. This order gives parental responsibility to the Special Guardian and can exclude the parents' exercise of their parental responsibility.

A court may make a Special Guardianship Order in respect of the child on the application of:

- any guardian of the child
- a local authority foster carer with whom the child has lived for one year immediately preceding the application
- anyone who holds a [Child Arrangement Order](#) with respect to the child, or who has the consent of all those in whose favour the order is in force
- a relative with whom the child has lived for one year immediately preceding the application
- anyone with whom the child has lived with for at least three years

- where the child is in the care of the local authority, any person who has the consent of the local authority
- anyone who has the consent of all those with parental responsibility for the child
- any person, including the child, who has the leave of the court to apply.

## 2. Principles

This policy is based on the following principles.

- That looked after children are entitled to plans for their long-term care, which aims for permanence and offers stability and consistency into young adulthood and keeps placement moves to a minimum.
- Children and Young People should not remain in the public care system if there are viable alternatives.
- Statutory intervention should be kept at the lowest possible level.

Within the Policy we will set out our criteria and how we will assess prospective applicants for Special Guardianship. We will also include how we undertake the assessment of SGO support needs, and the support to Special Guardians and children subject to Special Guardianship Orders. This will detail how we calculate the provision of financial support for the purpose of the support plan to accompany the assessment.

Special Guardians will have Parental Responsibility for the child. A Special Guardianship Order made in relation to a Looked after Child will replace the Care Order and the Local Authority will no longer share Parental Responsibility.

A Care Order does not automatically revoke a Special Guardianship Order although the Special Guardian's exercise of parental responsibility will be restricted as the local authority will have primary responsibility for decision-making under the Care Order.

### **3. Assessment of prospective Special Guardians**

The SGO assessment will be completed in line with Regulation 21 of the Special Guardianship Regulations 2005 (amended 2016) and the Schedule (Matters to be dealt with in report for the court). All applicants being considered or assessed for a SGO will be given advice by the SGO advisor for Southend Borough Council. They will be provided with information about the implications of a Special Guardianship Order, the assessment process and any support including financial that the applicants may be able to receive. The assessment should be a working partnership between Southend Borough Council and the SGO applicant. Information collected during the assessment should be in line with the legal requirements set out in the Schedule of the Special Guardianship Regulations 2005. The assessment will involve at least 6 visits from the assessing social worker to the applicant's household and will include individual and couple (if applicable) discussions.

There may also be interviews with significant others i.e., family or friends, particularly those that live or spend significant time within the applicant's household.

Throughout this process the applicant is entitled to seek legal advice if required.

As a requirement of the assessment, the local authority will carry out thorough safeguarding checks which include Disclosure and Barring Check (DBS), Probation, GP Medical reports, Local Authority records, Ofsted and 3 personal references. In addition, Southend Borough Council will take up references from current and previous employers and school references if the applicant has school-aged children. The local authority may take up additional safeguarding checks if deemed necessary.

#### 4. Parental Responsibility

The Special Guardian by virtue of the Court made SGO will have Parental Responsibility for the child. The Special Guardian will have a clear and expected responsibility for the day-to-day decisions concerning the care of the child.

*'The child's parents will continue to hold Parental Responsibility, but the Special Guardian is entitled to exercise parental responsibility to the exclusion of any other person with parental responsibility for the child (apart from another special guardian).'* The parents will continue to retain their right to consent or not to the child's adoption or placement for adoption.

In addition, there are events or actions in a child's life which require the consent of everyone who holds Parental Responsibility, for example.

- Any change of name of the child
- When a child leaves the United Kingdom and remains abroad for longer than three months.
- The sterilisation of a child

A Special Guardian can appoint a Guardian in their Will (Testamentary) in the event of their death.



## 5. The circumstances in which a Special Guardianship Order may be made

The Court may make a Special Guardianship Order in any family proceedings concerning the welfare of the child. This applies even where no application has been made and includes adoption proceedings.

Any person making an application for a Special Guardianship Order must give 3 months' written notice to their local authority of their intention to apply in relation to a Looked after Child, the notice will go to the local authority looking after the child. In all other cases, the notice will be sent to the local authority for the area where the applicant resides. The local authority then has a duty to provide a report to the Court.

The only exception to the requirement for 3 months' notice is where the Court has granted leave to make an application and waived the notice period.

Where the local authority has received notice from an applicant or a request for a report from the Court, it should send written information about the steps it proposes to take in preparing the report to the prospective Special Guardian and the parents of the child in question. This should include information about Special Guardianship support services and how to request an assessment of needs for support.

The provision of financial support will be considered:

## 6. Local Authority responsibility to carry out assessment of need for support services.

At the request of the following persons an assessment of need for support services must be carried out:

- a child who is looked after or was looked after immediately before the making of the SGO,
- a special guardian or proposed special guardian of such a child,
- a parent of such a child.

[\[Regulation 11\(1\) SGO Regulations 2005 as amended\]](#)

When the local authority receives a written request for or on behalf of a child, a special guardian or prospective special guardian or a parent (where the child was not looked after immediately before the making of the SGO), a child of a special guardian whether or not the special guardianship child is looked after or not, any person whom the local authority considers to have a significant and ongoing relationship with a child (whether the child is looked after or not), the local authority may carry out an assessment.

[\[Regulation 11\(2\) SGO Regulations 2005 \(as amended\)\]](#)

If the local authority decides that it is not going to carry out an assessment where it has discretion then it must give the person requesting the assessment notice, in writing, of the proposed decision including the reasons for the decision and must allow at least 28 days for them to make representations in relation to that decision. If representations are received, then the Permanence Panel must reconsider the LA's decision. The outcome and reasons for the decision must be sent to the person requesting the assessment.

[\[Regulation 11\(3\) Special Guardianship Regulations 2005 \(as amended\)\]](#)

Where a child was not previously looked after, it is the local authority where the special guardian lives that is responsible for undertaking an assessment of need and provision of any special guardianship support services in response to that assessment. If the special guardian and the family move, then the responsibility passes to the new local authority.

Where the child was previously looked after by Southend Borough Council, the authority is responsible for the assessment and provision of support services, if assessed as being required, for three years from the date of the SGO, regardless of where the special guardian lives during those three years. Southend Borough Council can arrange for special guardianship support services to be provided by another body on its behalf if considered appropriate. After the three-year period, if the special guardian no longer resides in Southend, the responsibility to assess and provide support services is the duty of the local authority where the special guardian resides.

Children who were looked after immediately before the making of a SGO may qualify for advice and assistance under the [Children Act 1989](#), as amended by the [Children \(Leaving Care\) Act 2000](#) and the [Adoption and Children Act 2002](#). The child/young person would qualify if they:

- have reached the age of 16 but not the age of 21,
- are under 18 and there is a SGO in force,
- are 18 and above and had a SGO in force when they reached 18 years

and immediately before the making of the SGO they were a looked after child.

## 7. Assessment of need for support services

The [Special Guardianship Regulations](#) provide the framework in which support services (including financial support) can be provided to special guardians. Southend Borough Council can provide advice and support to Special Guardians:

- parenting support for special guardians
- advice on issues about special guardianship
- consultation and mediation with other agencies and/or local support groups
- financial support for the child, to consider their specific needs and the special guardian's financial position

Should the local authority consider providing support, it must complete a support plan setting out:

- what services are needed to meet the needs of the child(ren)
- what the timescale is for providing those services
- how these services will be reviewed
- a named person or service area that will review the services in accordance with the support plan

Special guardians should be given up to 28 days to make representations in respect of the SGO Support Plan [[Regulation 15 SGO Regulations 2005 \(as amended\)](#)].

The support plan should include details as to the person's need for support services, the basis upon which the financial assessment was determined, whether the local authority propose to offer support services, the services (if any) that are proposed to be provided to the special guardian, if financial support is to be paid, the proposed amount that would be payable and any conditions attached to the payments.

If the child has not been looked after by Southend Borough Council, then the special guardian is not as a matter of course entitled to any support services. This will include financial support; however, the authority can consider support services when assessed and determined to be appropriate and needed. The special guardian can represent their support needs with the assessing social worker, and any decision to provide support services will be confirmed by the Permanency Panel on each case.

## **8. Financial Support**

The general principle is that *'where a person is seeking to make a permanent and substantial commitment in caring for a child by means of a Special Guardianship Order, this commitment should include a willingness and ability to meet the costs associated with caring for a child in the long-term'*. The financial ability and means of any prospective special guardians to care for the child, as it is with prospective adopters, is an important part of the assessment of their suitability. When the Authority is made aware of any SGO application the financial support aspect should be discussed as early as is possible. This will set out to any prospective Guardian what they can and cannot expect and will avoid any confusion and will assist with an informed decision for the applicant Guardian. It should also consider:

- when it is necessary to enable a special guardian to care for a child

- when a child needs special care due to disability, emotional or behaviour difficulties or previous neglect or abuse
- to help towards the legal costs for applying for an SGO
- when it is necessary to contribute towards the cost of accommodating and maintaining a child

Southend Borough Council must also consider:

- any other grant, benefit, allowance, or resource which is available to the person in respect of their needs due to becoming a special guardian of the child
- any investment income, tax credit or benefit, which would be available should the child live with them
- the amount required by the special guardian or prospective special guardian in respect of the reasonable outgoings and commitments (eg, housing, transport, and daily living expenses) but not including outgoings in respect of the child, the financial needs that relate to the child (eg, diet or replacement bedding) or the resource of the child (eg, trust fund).

Where an assessment of need identifies a need for financial support a request is submitted to the Permanency Panel. Decisions concerning financial support will be made on a case-by-case basis. A financial means test will be undertaken, and the panel will set out the timeframe for any transitional financial support to be paid. There should be no assumption that financial support will continue after the transitional period. The special guardians can request an assessment of support needs, including financial support at any time through the duration of the SGO. Any further support or financial support will be based on the outcome of an assessment of need and an updated financial means tested assessment.

Southend Borough Council uses a standardised means test as devised by the Department for Education.

If, when completing a financial means assessment (including a review), it is identified that the special guardian has not declared additional income or savings the assessment will be revised, and the revised financial support plan will be used.

Failure to provide information that is required to undertake the financial assessment or review may result in the termination of financial support.

In exceptional circumstances the local authority can disregard the outcome of a means test when considering whether to provide financial support for legal costs including fees payable to the court.

The local authority has a responsibility to provide notice of the outcome of the assessment, if financial support is to be paid to the special guardian, the proposed amount that would be payable and any conditions attached to the payment. A SGO allowance is only paid once the case has been approved at the Court & Permanency Panel. A one-off contribution to the cost of specific settling-in equipment can also be considered by the Panel if a clear need is identified.

If, at the point when a SGO is granted, the special guardian was receiving either a connected persons/family and friends' allowance or a fostering allowance for the child, Southend Borough Council may match the rate of allowance not including birthday, holiday, and Christmas allowances (minus child benefit where the special guardian's income is not solely derived from state benefits), for two years from the date of the SGO. **See Appendix 1 for current rates**

Fostering allowance to be attached.

Consideration will be given to continuing to pay the fee (remuneration) element, for a limited period, up to 24 months, to support the transition from fostering to SGO, at the discretion of the Court & Permanency Panel.

During these two years if either the fostering allowance is matched and or the fostering fee is paid, no other financial means assessment will be completed. After two years, there is no assumption that financial support will continue. Special guardians can request an assessment of support needs including financial support, at any stage, but any further support will be based on the outcome of the assessment which must be considered by the Court & Permanency Panel. Any further financial support would be means tested.

## **9. Financial support for Foster carers**

If a child has been in a stable fostering placement and that carer progresses with an SGO application then Southend Borough Council will match the fostering allowance only (minus child benefit, Christmas, and birthday allowances) until the child reaches adulthood. For Independent Fostering Agency carers Southend Borough Council would not pay more than the Southend Borough Council maximum rate for a child of that age. [Regulation 7, SGO Regulations 2005 \(as amended\)](#) provides that the financial support may include an element of remuneration but ONLY when the decision is made before the SGO is granted, and the Local Authority consider it necessary to facilitate the person to become a special guardian, in a case where:

- (a) The special guardian or prospective special guardian has been a local authority foster carer (including family, friends, and connected person) in respect to the child; AND



- (b) An element of the remuneration was included in the payments made by the local authority to that person in relation to the fostering of the child or young person.

Regulation 7(2) SGO Regulations 2005 (as amended) states that the element of remuneration (fee) ceases to be payable after the expiry of the period of 2 years from the making of the SGO unless the Local Authority considers its continuation to be necessary having regard to the exceptional needs of the child or any other exceptional circumstances. This only relates to the fee (remuneration) element not to the entire SGO allowance.

#### **10. Adoption Support Fund (ASF) and Pupil Premium**

Children who were looked after immediately prior to the making of the SGO are eligible for Pupil Premium and Adoption Support Fund funding.

The Pupil Premium is accessed in the education setting, through self-declaration of the SGO by the Special Guardian.

The Adoption Support Fund will fund therapeutic support for the child, up to the Fair Access Limit. Where the assessment of need for support services identifies that therapeutic services would be beneficial, an application will be made to the ASF on the behalf of the Special Guardian. In the case of a successful application, funding will be released to the Local Authority to commission the approved services.

#### **11. Assistance with legal costs**

Regulation 6 (2)(c) SGO Regulations 2005 (as amended) provides that the Local Authority, where it considers that it is appropriate, may contribute to any legal costs including court fees, of a special guardian or prospective special guardian, as may be, associated with:

- (i) The making of SGO, variation or discharge of the same,
- (ii) Application under S8 (Child Arrangements Order)
- (iii) An order for financial provision to be made for the child.

The local authority is not expected to meet the legal costs of a SGO where it does not support the application, whether they were previously looked after or not.

## **12. Cessation of financial support**

Financial support ceases to be payable to a special guardian if:

- a) The child ceases to have a home with the Special Guardian.
- b) The child ends full time education or training and enters employment.
- c) The child qualifies for Income Support or Jobseeker's Allowance in their own right.
- d) The child reaches the age of 18 unless they continue in full-time education or training, when the allowance may continue until the end of the course or training, they are undertaking (subject to a further assessment of need and a financial means test)

[\[Regulation 9 SGO Regulations 2005 \(as amended\)\]](#)

## **13. Review of Support Plans (including financial support)**

The SGO support plan including the financial support, will be reviewed annually, unless a change of circumstances requires an earlier review. Financial support will be reviewed by undertaking a financial means test unless the allowance has been agreed for a longer period. The special guardians are expected to provide evidence of the following:

- financial circumstances
- financial needs and resources of the child
- the special guardian's address and whether the child/young person still has a home and resides with them,

The local authority having regard to the review and after considering any representations received within the period specified on the notice, decide whether to vary or terminate payment of the financial support or whether to recover any part of the financial support that has been paid; and where appropriate, revise the plan. The local authority must then give the person notice of the decision including the reasons for it and, if applicable the revised plan ([Special Guardianship Guidance 2017 para 87 - 91](#)). Where the court makes a [Child Arrangement Order](#) within proceedings prior to the making of an SGO, and by doing so the carers would be financially disadvantaged (the fostering allowance would cease), Southend will wherever possible, start any agreed SGO support at that stage rather than waiting for the final SGO to be granted. If Southend Borough Council intends to vary or terminate the special guardianship support services to any person, it will provide the person with the outcome of the review and reasons for the proposed decision in writing. The special guardian will have an opportunity to make representations on the decision. In respect of an amendment to or termination of any financial support, Southend Borough Council can decide to suspend the financial support until the outcome of the representations if it considers appropriate and there is sufficient justification as set out above. The affected special guardian **MUST** make their Representations within 28 days to the Court & Permanency Panel. The outcome of the representations to the Panel will be notified in writing. If the SGO is not satisfied with the outcome of the Court & Permanency Panel they may complain through the statutory complaints procedure.

## **14. Urgent Cases**

Where a person has an urgent need of a service, the assessment process should not delay provision and arrangements can be made for support to be provided as a matter of urgency in appropriate cases. The situation will then need to be reviewed as soon as possible after the support has been provided in accordance with the procedures set out above.

## **15. Relevant Legislation and Guidance**

Adoption and Children Act 2002

Special Guardianship Regulations 2005

Special Guardianship (Amended) regulations 2016.

National Minimum Adoption Standards 2011

Special Guardianship Guidance updated April 2012.

Framework for the Assessment of Children in Need and their Families  
2000

# Southend-on-Sea Borough Council

Report of Deputy Chief Executive & Executive Director

To

## Cabinet

On

Date 15 June 2021

Report prepared by: Claire Victory

Agenda  
Item No.

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### Electric Vehicles Charging Infrastructure –Interim Policy Guidance and Draft Supplementary Planning Document

Place Scrutiny Committee  
Cabinet Member: Councillor Mulroney  
*Part 1 (Public Agenda Item)*

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#### 1. Purpose of Report

- 1.1 To advise Members of the preparation of new local planning policy guidance for developers on the provision of electric vehicle charging points in new residential and commercial schemes, to support the Council's Green City Action Plan, and assist in delivering on relevant Southend 2050 outcomes.
- 1.2 Member approval is specifically sought to adopt a new interim policy setting out promotional guidance on charging points for electric vehicles (typically battery electric, plug-in hybrid or fuel cell electric vehicles) and the Council's broader ambition to decarbonise Southend and meet its commitment to zero carbon by 2030. The Interim Policy Guidance is intended to be used for development management purposes in advance of the adoption of a formal Supplementary Planning Document (SPD) later in 2021.
- 1.3 Member approval is therefore also being sought to undertake a period of public consultation on a SPD for Electric Vehicles Charging Infrastructure Requirements in New Developments.
- 1.4 Both documents seek to boost provision of charging points for electric vehicles in new development schemes permitted in Southend on Sea.

#### 2. Recommendations

- 2.1 **Agree to adopt the Interim Policy Guidance for Electric Vehicles Charging Infrastructure Requirements to guide new developments in development management decisions (attached at Appendix 1).**

- 2.2 Agree to the Electric Vehicles Charging Infrastructure Requirements in New Developments draft Supplementary Planning Document (attached at Appendix 2) being subject to a 4 week period of public consultation.**
- 2.3 Agree to delegate authority to the Deputy Chief Executive and Executive Director for Growth and Housing, in consultation with the Cabinet Member for Environment and Planning, to:**
- **make minor amendments to the draft Supplementary Planning Document prior to consultation; and**
  - **take all necessary steps to ensure compliance with the relevant statutory processes and procedures to undertake the consultation.**

### **3. Background**

- 3.1** The number of electric vehicles registered in Southend is rising steadily, albeit from a low base. The number of new electric vehicles registered in England is also rising against an overall drop in new vehicle registrations. One in every 47 cars registered in the UK is now electric (including battery electric, plug-in hybrid electric, and fuel cell electric vehicles).
- 3.2** Supporting the increasing use of electric vehicles within Southend will make an important contribution to reducing carbon emissions from vehicle use within the town. This will also have the benefit of improving local air quality, particularly along the main road corridors and town centres.
- 3.3** Strengthening policy on electric vehicle charging will contribute to the delivery of a number of Southend 2050 outcomes, primarily to ensure Southend acts as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling, but it will also support other outcomes such as leading the way in making public and private travel smart, clean and green, and being effective in protecting and improving the quality of life for the most vulnerable in our community.
- 3.4** The Local Plan Issues and Options was the subject of public consultation in Spring 2019. Feedback from the consultation revealed support for more provision of infrastructure to support the growth in use of electric vehicles to contribute towards reducing carbon emissions, although it was recognised that other policies would also need to be introduced, to more strongly encourage a shift toward more walking and cycling for local journeys and investment in public transport, to reduce carbon emissions to target levels set by Government.
- 3.5** **Appendix 1** sets out interim policy guidance to further encourage the provision of electric vehicle charging points and infrastructure in new developments until a formal Supplementary Planning Document (SPD) can be put in place. The interim guidance will encourage provision for all new major residential and commercial development providing 10 or more car parking spaces. The interim guidance encourages 20% of all new car parking spaces provided with new development to have EV charging points installed. The remaining 80% of

spaces are encouraged to provide passive provision for installation of EV charging points at a later date through underground cabling.

- 3.6 The government has consulted on changes to national Building Regulations in relation to electric vehicle charging infrastructure<sup>1</sup>. To help to meet the challenging national target for achieving net zero carbon emissions the government is proposing that each new dwelling with an associated car parking space should have a charge point, and at least one charge point for non - residential developments with more than 10 car parking spaces provided, where this is technically feasible. This is a higher standard of provision than the Interim Planning Guidance.
- 3.7 The draft SPD for Electric Vehicles Charging Infrastructure Requirements in New Developments proposed for consultation (**see Appendix 2**) follows the government's approach in seeking support for higher standards.<sup>2</sup>

#### **4. Other Options**

- 4.1 The Council has set an ambitious target to be carbon zero by 2030. The draft SPD and Interim Policy Guidance set out a clear approach to boosting the provision of charging infrastructure for electric vehicles in the Borough as new development comes forward.
- 4.2 A failure to act now would result in such infrastructure coming forward at a much slower pace. Not having an adopted SPD in place for electric charging points would also risk the Council incurring costs in attempting to defend refusals of planning permission based on an outdated policy framework and related evidence base.
- 4.3 It should also be noted that other neighbouring authorities such as Chelmsford and Basildon are moving ahead with their programmes for EV charging point installation. Introducing the policy for EV charging points associated with new development will help Southend to remain competitive in attracting inward investment, providing modern housing stock and commercial floorspace whilst supporting other actions being taken to provide public charging points across the town for the benefit of residents, employees and visitors.

#### **5. Reasons for Recommendations**

- 5.1 To ensure the timely roll out of EV charging infrastructure to keep pace with new development in the Borough. Future proofing new development through the provision of EV charging points and passive provision of cabling will avoid expensive retrofitting to adapt for the use of electric vehicles as EV use becomes more widespread as is expected.

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<sup>1</sup> [Electric vehicle chargepoints in residential and non-residential buildings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/electric-vehicle-charging-points-in-residential-and-non-residential-buildings)

<sup>2</sup> [Electric vehicle chargepoints in residential and non-residential buildings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/electric-vehicle-charging-points-in-residential-and-non-residential-buildings)

## **6. Corporate Implications**

### ***Contribution to the Southend 2050 Road Map***

- 6.1 The adoption of the SPD and use of Interim Policy Guidance, will contribute to the fulfilment of a number of elements of the Council's vision and priorities, for example improving transport provision and infrastructure, improving economic prosperity, and protecting and enhancing the natural and built environment.
- 6.2 The delivery of the SPD and Interim Policy Guidance will contribute to the priorities of the Council in responding to the impacts of Covid 19.

### ***Climate Change Implications***

- 6.3 The introduction of Interim Policy Guidance and consultation on a draft SPD contributes to the 2050 outcome to act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling. It will contribute to a reduction in carbon emissions from road-based transport by providing supporting infrastructure to encourage investment in and use of electric vehicles. It is also proposed that wherever feasible on-site renewable energy be used for vehicle charging.

### ***Financial Implications***

- 6.4 Financial and human resource input is necessary to fulfil the statutory requirements for public consultation of the SPD.
- 6.5 The costs associated with preparing the SPD will be met from existing agreed budgets with the Director of Finance and Resources.

### ***Legal Implications***

- 6.6 Section 38(6) of the Planning and Compulsory Purchase Act 2004 states: "if regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise." An adopted SPD which has been subject to public consultation can be a material consideration which attracts weight in the planning balance. It will provide the authority with the framework to robustly defend planning decisions at appeal. The Interim Policy Guidance has no formal status as part of the development plan but is a material planning consideration in determining planning applications.

### ***People Implications***

- 6.7 Staff resource from the Strategic Planning Team will be required in order to prepare the Interim Policy Guidance and to prepare and consult on the draft SPD. Support from Performance and Business Support will also be required, particularly with regards to the public consultation process.



### ***Property Implications***

- 6.8 The Interim Policy Guidance and draft SPD will place requirements on developers when creating parking spaces as part of new development. This will include development of Council owned assets.

### ***Consultation***

- 6.9 The draft SPD public consultation process will be carried out in accordance with the Council's adopted Statement of Community Involvement.

### ***Equalities and Diversity Implications***

- 6.10 The public consultation will give the opportunity for different sections of the community to input into the plan making process. Poor air quality tends to disproportionately affect residents living in areas of multiple deprivation, for example within urban areas close to busy roads. Greater take up of EVs should improve air quality within these areas.

### ***Risk Assessment***

- 6.11 Staff resources within the Strategic Planning Team will be required to progress the SPD through public consultation and to formal adoption.
- 6.12 If the SPD were not to be published and taken forward to adoption, the absence of the planning policies may result in EV charging infrastructure being rolled out at a much slower pace in the Borough, contrary to the ambitions set out in the Green City Action Plan.

### ***Value for Money***

- 6.13 There will be beneficial impacts on value for money by carrying out the work proposed using in-house resources wherever possible. This will have considerable benefits in terms of building in-house experience and expertise for officers, as well as utilising local knowledge and experience within the Strategic Planning team which would not be gained otherwise.

### ***Community Safety Implications***

- 6.14 The SPD will have a neutral effect on community safety.

## **7. Background Papers**

- 7.1 The Town and Country Planning (Local Development) (England) Regulations 2012.
- 7.2 Planning and Compulsory Purchase Act 2004
- 7.3 National Planning Policy Framework (NPPF 2019)

- 7.4 Planning for the Future, Ministry of Housing, Communities and Local Government, March 2020
- 7.5 Southend Local Development Scheme (2021)
- 7.6 Southend New Local Plan Issues and Options Consultation (February 2019)
- 7.7 Southend New Local Plan Issues and Options Consultation Report Southend on Sea Borough Council, August 2019
- 7.8 South Essex Statement of Common Ground (2018)

## **8. Appendices**

- 8.1 Appendix 1: Electric Vehicles Charging Infrastructure in new development Interim Policy Guidance.
- 8.2 Appendix 2: Electric Vehicles Charging Infrastructure in new development draft Supplementary Planning Document.

# Electric Vehicle Charging Infrastructure Interim Policy for new development

Southend Borough Council

2021

## Introduction

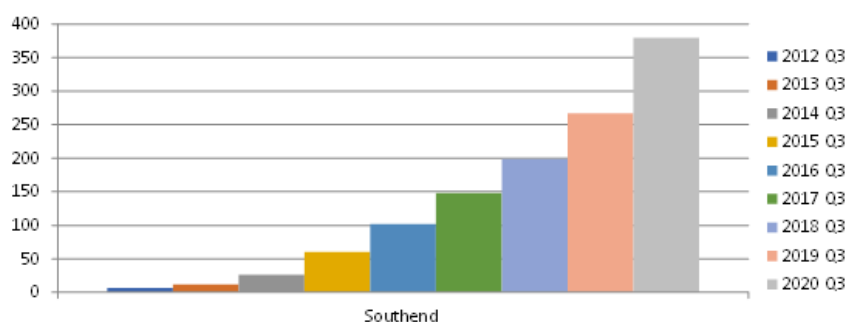
A net zero emissions target for 2050 is now UK law<sup>1</sup> and the government recently announced an ambition to cut carbon emissions by 78% compared to 1990 levels by 2035. Net Zero means balancing out any greenhouse gas emissions produced by industry, transport or other sources by removing an equivalent amount from the atmosphere.

A Local Climate Impacts Profile undertaken in 2010 found that the Borough is likely to be affected in the future by having warmer and wetter winters; hotter and drier summers; an increased risk of coastal erosion; and more severe weather, such as coastal flooding and flash floods. Air quality is also a problem with two Air Quality Management Areas designated along the A127 at The Bell junction and East Street/West Road junction.

17% of carbon emissions in the Borough are from transport (industries and households). Reducing carbon emissions arising from use of petrol and diesel vehicles will therefore have positive local effects as well as making a contribution to UK and global targets, and supporting the use of electric vehicles (EV) within Southend will help to reduce carbon emissions from vehicle use within the town. It will also have the benefit of improving local air quality, particularly along the main road corridors and town centres.

At the end of 2018, just 0.5% of vehicles licensed in the UK were ultra low emission vehicles (battery electric, plug-in hybrid electric and fuel cell electric vehicles). However, numbers of electric vehicles are increasing, with one in every 47 new cars registered in the UK now plug-in, and one in every 36 for London<sup>2</sup>, against a decline overall in new UK vehicle registrations<sup>3</sup>. The number of EV registrations in Southend is rising, albeit from a low base. The image below shows the number of vehicles registered in Southend in Quarter 3 (October to December) of each year from 2012.

### Electric Vehicle registrations in Southend



Working to make  
lives better  
[www.southend.gov.uk](http://www.southend.gov.uk)



<sup>1</sup> Climate Change Act 2008 and (2050 Target Amendment) Order 2019

<sup>2</sup> [Londons EV Infrastructure Taskforce Delivery Plan Executive Summary \(tfl.gov.uk\)](https://www.tfl.gov.uk/road-works/electric-vehicles/)

<sup>3</sup> [New car registrations drop 35.5% but electric demand continues to rise | Latest news \(smarttransport.org.uk\)](https://www.smarttransport.org.uk/news/new-car-registrations-drop-35-5-but-electric-demand-continues-to-rise/)

Southend Council announced a Carbon Emergency in September 2019, and in January 2021 published its Green City Action Plan<sup>4</sup>, setting out a five year plan to work towards net zero carbon emissions. Promoting low-carbon vehicles by rolling out electric vehicle charging infrastructure, is a priority action for the Council within the plan.

## Direction of government policy on electric vehicle charge points

The government consulted on changes to building regulations in October 2019<sup>5</sup>, which would require EV charging points for new dwelling with an associated car parking space, and non-residential development with more than 10 parking spaces to have at least one chargepoint and cabling routes for one in five spaces. In addition, the Energy White Paper<sup>6</sup> published in October 2020 stated the government's intention for all new homes, where appropriate, to have a charge point available. While the direction of travel of government policy appears to be for requiring EV charging points for residential and commercial developments it is not known if or when the building regulations will be updated.

## Planning Policy

Local planning authorities have a duty under Section 19(1)(a) of the 2004 Planning and Compulsory Purchase Act (as amended by the 2008 Planning Act) to ensure that, taken as a whole, local plan policy is designed to secure that the development and use of land in its administrative area contributes to the mitigation of, and adaptation to, climate change. Adopted development plan policies relating to electric vehicle charging points are set out below.

DPD Policy DM15 (Sustainable Transport Management) of the Development Management DPD<sup>7</sup> (2015) states "the provision of facilities for charging electric vehicles and other ultra-low emission vehicles will be encouraged wherever practical and feasible."

The Southend Central Seafront Area Action Plan (SCAAP) (2018)<sup>8</sup> Policy DS5 (Transport, Access and Public Realm) requires that developments within the SCAAP must "have regard to Policy DM15 of the Development Management Document, particularly in relation to sustainable transport measures, travel plans, transport assessments, parking standards and the provision of facilities for charging electric vehicles and other ultra-low emission vehicles." This is an extensive area covering Southend High Street and its environs and the Central Seafront.

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<sup>4</sup> Microsoft Word - Final Draft Green City Action Plan December 2020.docx (southend.gov.uk)

<sup>5</sup> [Electric vehicle charging in residential and non-residential buildings \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/464242/electric-vehicle-charging-in-residential-and-non-residential-buildings.pdf)

<sup>6</sup> [Reducing emissions from road transport: Road to Zero Strategy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/464242/electric-vehicle-charging-in-residential-and-non-residential-buildings.pdf)

<sup>7</sup> [Development Management Document - Adopted – Development Management \(DPD\) – Southend-on-Sea Borough Council](#)

<sup>8</sup> [Southend Central Area Action Plan \(SCAAP\) – Southend-on-Sea Borough Council](#)

The Local Transport Plan 3 Implementation Plan<sup>9</sup> also states that the use of vehicles and modes that either emit low or zero levels of carbon dioxide, such as electric vehicles, bio-fuel etc will be promoted by both new developments and the Council.

A new local plan is being prepared and public consultation was carried out in Spring 2019 on an Issues and Options document. Consultation responses supported planning policies to the increase the use of electric vehicles in Southend as part of measures to mitigate and adapt to climate change.<sup>10</sup>

However, as the new local plan will take several years to produce and adopt, an interim policy will set out how the Council intends to judge whether development proposals adequately mitigate and adapt to climate change in respect of infrastructure for electric vehicle charging, bridging the existing adopted local plan and its successor.

It applies to new residential and commercial developments providing 10 or more car parking spaces.

The Council recognises that the policy will need to be applied proportionately in each case, and the scope to apply will be greater in larger schemes.

## Southend Electric Vehicle Strategy 2021 - 2030

Electric vehicles offer an excellent opportunity to address the declared climate emergency and ambition to achieve net zero emissions by 2030, and bring potential benefits to residents, businesses and visitors.

The Council wants to encourage the take up of EV amongst residents, including those without access to off-street car parking. The strategy provides the foundation to support a publicly accessible charging network which can be developed as and when funding opportunities become available, based on the following aims:

- Provide a sufficient and adequate charging infrastructure in place to support the anticipated growth in use of electric vehicles
- Ensure that renewable energy sources will be used for all charging points provided by the Council
- Assist in providing charging infrastructure to support at least a majority of all new cars in the Borough being electric by 2030
- Adopt electric vehicles for all service provisions and use in Council business and require use of electric vehicles through procurement policies for all business and sub-contractors
- Introduce electric vehicles through a 3 stage approach: car parks, forecourts and residential

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<sup>9</sup> [Microsoft Word - Implementation plan final March 2015 \(southend.gov.uk\)](#)

<sup>10</sup> [Issues and options reports | Southend Local Plan](#)

It is the Council's ambition to use its own land where possible and to work with landowners to identify suitable locations to contribute to both strategic and local provision of charging points.

## Interim Policy

Table 1 Interim Electric Vehicle Charging Infrastructure Policy

<b>Type of development proposed</b>	<b>Proportion of space with 'active' EV charging points</b>	<b>Proportion of space with 'passive' EV charging points</b>
New residential development providing 10 or more car parking spaces	20%	80%
New commercial development providing 10 more car parking spaces	20%	80%

Active provision means an electric vehicle charge point with a minimum power rating output of 7kW, fitted with a universal socket that can charge all types of electric vehicle currently on the market and meet relevant safety and accessibility requirements.

Passive provision means ducting infrastructure to enable a future connection location for an electric vehicle charge point. A future connection location may be positioned to serve more than one parking space provided that the enabling infrastructure is adequate for the future installation of electric vehicle charge points which enable each space to be used simultaneously for recharging e.g. a charge point with multiple outlets).

### Example

A proposal for 20 dwellings and 20 car parking spaces will be required to provide 4 charge points and passive provision for the remaining 16 spaces.



# **Electric Vehicle Charging Infrastructure for new development draft Supplementary Planning Document**

**Southend Borough Council**

**2021**

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## Introduction

A net zero emissions target for 2050 is now UK law<sup>1</sup> and the government recently announced an ambition to cut carbon emissions by 78% compared to 1990 levels by 2035. Net Zero means balancing out any greenhouse gas emissions produced by industry, transport or other sources by removing an equivalent amount from the atmosphere.

A Local Climate Impacts Profile undertaken in 2010 found that the Borough is likely to be affected in the future by having warmer and wetter winters; hotter and drier summers; an increased risk of coastal erosion; and more severe weather, such as coastal flooding and flash floods. Air quality is also a problem with two Air Quality Management Areas designated along the A127 at The Bell junction and East Street/West Road junction.

17% of carbon emissions in the Borough are from transport (industries and households). Reducing carbon emissions arising from use of petrol and diesel vehicles will therefore have positive local effects as well as making a contribution to UK and global targets, and supporting the use of electric vehicles (EV) within Southend will help to reduce carbon emissions from vehicle use within the town. It will also have the benefit of improving local air quality, particularly along the main road corridors and town centres.

At the end of 2018, just 0.5% of vehicles licensed in the UK were ultra-low emission vehicles (battery electric, plug-in hybrid electric and fuel cell electric vehicles). However, numbers of electric vehicles are increasing, with one in every 47 new cars registered in the UK now plug-in, and one in every 36 for London<sup>2</sup>, against a decline overall in new UK vehicle registrations<sup>3</sup>. Figure 1 below from the Department for Transport's Road to Zero Strategy<sup>4</sup> shows this increase.

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<sup>1</sup> Climate Change Act 2008 and (2050 Target Amendment) Order 2019

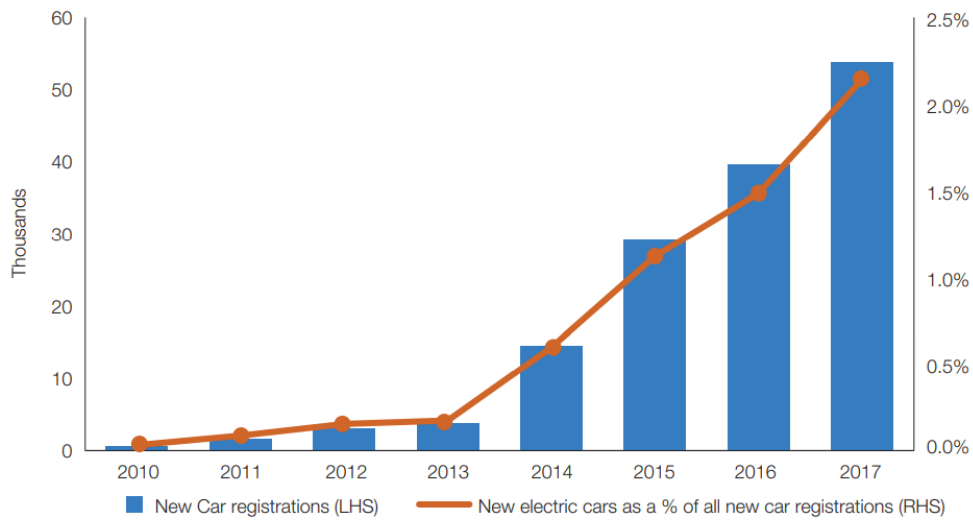
<sup>2</sup> [Londons EV Infrastructure Taskforce Delivery Plan Executive Summary \(tfl.gov.uk\)](https://www.tfl.gov.uk)

<sup>3</sup> [New car registrations drop 35.5% but electric demand continues to rise | Latest news \(smarttransport.org.uk\)](https://www.smarttransport.org.uk)

<sup>4</sup> [The Road to Zero \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk)

Figure 1: New Electric Car Registrations in Great Britain

Figure 2b.2: New electric car\* registrations GB

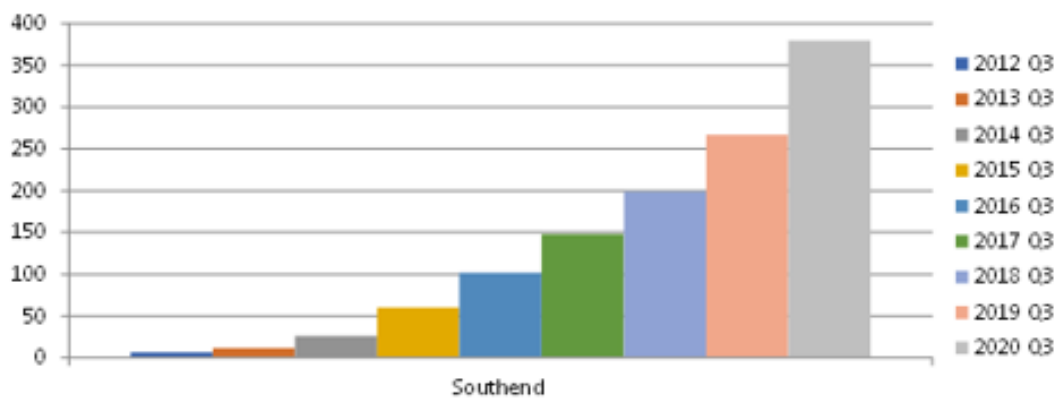


\*Includes plug-in hybrids, 100% electric, range extended electric and fuel cell electric cars

Source: DfT, Vehicle Licensing Statistics, 2018 - table VEH0253.

The number of EV registrations in Southend is also rising, albeit from a low base. Figure 2 below shows the total number of electric vehicles registered in the Borough at Quarter 3 each year from 2012 to 2020 (e.g. between October and December each year).

Figure 2: Electric Vehicle Registrations in Southend



Southend Council announced a Carbon Emergency in September 2019, and in January 2021 published its Green City Action Plan<sup>5</sup>, setting out a five year plan to work towards net zero carbon emissions. Promoting low-carbon vehicles by rolling out electric vehicle charging infrastructure, is a priority action for the Council within the plan.

The Local Transport Plan 3 Policy 3 for better managed vehicle parking also highlights the need to include electric vehicles within parking strategies.<sup>6</sup>

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

One of the 2050 outcomes identified is that we act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.

This draft Supplementary Planning Document sets out the Council's requirements for electric vehicle charging infrastructure in new development, and complements other actions being taken by the Council to decarbonise the economy and support our 2050 ambition, such as the creation of additional public electric vehicle charging points.

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<sup>5</sup> [Microsoft Word - Final Draft Green City Action Plan December 2020.docx \(southend.gov.uk\)](#)

<sup>6</sup> [Microsoft Word - Implementation plan final March 2015 \(southend.gov.uk\)](#)

## Direction of government policy

The Road to Zero Strategy (DfT, 2018) sets out new measures to clean up road transport and promote use of zero emission road vehicles, and the Transport Decarbonisation Plan (2020) highlights the important role transport plays in reaching net zero, including promoting public transport and active travel, zero emission road vehicles, more sustainable delivery systems and development of new technologies and innovation.

In 2019 the government consulted on changes to building regulations<sup>7</sup>, which would require EV charging points for new dwelling with an associated car parking space, and non-residential development with more than 10 parking spaces to have at least one chargepoint and cabling routes for one in five spaces. In addition, the Energy White Paper<sup>8</sup> published in October 2020 stated the government's intention for all new homes, where appropriate, to have a charge point available.

## Southend Planning Policy

Local planning authorities have a duty under Section 19(1)(a) of the 2004 Planning and Compulsory Purchase Act (as amended by the 2008 Planning Act) to ensure that, taken as a whole, local plan policy is designed to secure that the development and use of land in its administrative area contributes to the mitigation of, and adaptation to, climate change. Adopted development plan policies relating to electric vehicle charging points are set out below.

DPD Policy DM15 (Sustainable Transport Management) of the Development Management DPD<sup>9</sup> (2015) states “the provision of facilities for charging electric vehicles and other ultra-low emission vehicles will be encouraged wherever practical and feasible.”

The Southend Central Seafront Area Action Plan (SCAAP) (2018)<sup>10</sup> Policy DS5 (Transport, Access and Public Realm) requires that developments within the SCAAP must “have regard to Policy DM15 of the Development Management Document, particularly in relation to sustainable transport measures, travel plans, transport assessments, parking standards and the provision of facilities for charging electric vehicles and other ultra-low emission vehicles.” This is an extensive area covering Southend High Street and its environs and the Central Seafront.

The Local Transport Plan 3 Implementation Plan<sup>11</sup> also states that the use of vehicles and modes that either emit low or zero levels of carbon dioxide, such as electric vehicles, bio-fuel etc will be promoted by both new developments and the Council.

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<sup>7</sup> [Electric vehicle charging in residential and non-residential buildings \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/444242/ev-charging-in-residential-and-non-residential-buildings.pdf)

<sup>8</sup> [Reducing emissions from road transport: Road to Zero Strategy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/444242/ev-charging-in-residential-and-non-residential-buildings.pdf)

<sup>9</sup> [Development Management Document - Adopted – Development Management \(DPD\) – Southend-on-Sea Borough Council](#)

<sup>10</sup> [Southend Central Area Action Plan \(SCAAP\) – Southend-on-Sea Borough Council](#)

<sup>11</sup> [Microsoft Word - Implementation plan final March 2015 \(southend.gov.uk\)](#)

A new local plan is being prepared and public consultation was carried out in Spring 2019 on an Issues and Options document. Consultation responses supported planning policies to the increase the use of electric vehicles in Southend as part of measures to mitigate and adapt to climate change.<sup>12</sup>

## **Southend Electric Vehicle Strategy 2021-2030**

Electric vehicles offer an excellent opportunity to address the declared climate emergency and ambition to achieve net zero emissions by 2030, and bring potential benefits to residents, businesses and visitors.

The Council wants to encourage the take up of EV amongst residents, including those without access to off-street car parking. The strategy provides the foundation to support a publicly accessible charging network which can be developed as and when funding opportunities become available, based on the following aims:

- Provide a sufficient and adequate charging infrastructure in place to support the anticipated growth in use of electric vehicles
- Ensure that renewable energy sources will be used for all charging points provided by the Council
- Assist in providing charging infrastructure to support at least a majority of all new cars in the Borough being electric by 2030
- Adopt electric vehicles for all service provisions and use in Council business and require use of electric vehicles through procurement policies for all business and sub-contractors
- Introduce electric vehicles through a 3 stage approach: car parks, forecourts and residential

It is the Council's ambition to use its own land where possible and to work with landowners to identify suitable locations to contribute to both strategic and local provision of charging points.

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<sup>12</sup> [Issues and options reports | Southend Local Plan](#)

## EV charging infrastructure in new developments

### Residential Buildings

Every new residential building with an associated car parking space to have a charge point (active provision). This requirement applies to buildings undergoing a material change of use to create a dwelling.

Where there are more than 10 car parking spaces associated with the building, a minimum of one charge point should be installed for each dwelling, with enabling infrastructure (passive provision) for each remaining space.

### Non-Residential Buildings

A progressive standard is proposed for commercial developments, to reflect the Council's 2050 ambition to become a Green City and support use of electric vehicles. The standard will be gradually increased from adoption of the SPD up to 2025.

Table 1: requirements for non-residential buildings

Requirement for non-residential redevelopments	Proportion of Active Spaces	Proportion of Passive Spaces
From adoption of SPD	20%	80%
From 1 <sup>st</sup> January 2023	30%	70%
From 1 <sup>st</sup> January 2025	40%	60%

### Active Provision and Passive Provision

Active provision means an electric vehicle charge point with a minimum power rating output of 7kW, fitted with a universal socket that can charge all types of electric vehicle currently on the market and meet relevant safety and accessibility requirements.

Passive provision means ducting infrastructure to enable a future connection location for an electric vehicle charge point. A future connection location may be positioned to serve more than one parking space provided that the enabling infrastructure is adequate for the future installation of electric vehicle charge points which enable each space to be used simultaneously for recharging e.g., a charge point with multiple outlets).



## **Applying the standards**

Applications for mixed use developments will be considered on a case-by-case basis but as a general principle where car parking is allocated solely in association with residential properties the residential standard will apply.

The Council will work with developers to encourage higher provision of EV charge points through planning conditions or legal agreements, and to develop an appropriate parking management strategy for the scheme, including trigger points for conversion of passive spaces over the longer term.

All car parking spaces designated for disabled parking should have an EV charge point.

All car club car parking spaces should have an EV charge point.

Where no car parking spaces are to be provided there is no requirement to install an electric vehicle charge point.

### **Example 1 – Residential development**

A proposal for 2 dwellings and 4 car parking spaces will be required to provide 2 charge points.

### **Example 2 – Residential development**

A proposal for 6 dwellings and 12 car parking spaces will be required to provide 6 charge points and passive provision for the remaining 6 spaces.

### Example 3 – Non-Residential Development

A proposal for non-residential development with 18 car parking spaces will be required to provide:

4 EV charging points and 14 spaces with passive provision if permitted prior to 1<sup>st</sup> January 2023

5 EV charging points and 13 spaces with passive provision if scheme permitted between 1<sup>st</sup> January 2023 and 31<sup>st</sup> December 2024

7 EV charging points and 11 spaces with passive provision if scheme permitted after 1<sup>st</sup> January 2025.

On adoption of SPD	20% Active Provision	3.6 spaces	80% Passive Provision	14.4
From 1 <sup>st</sup> January 2023	30% Active Provision	5.45 spaces	70% Passive Provision	12.55
From 1 <sup>st</sup> January 2025	40% Active Provision	7.2 spaces	60% Passive Provision	10.8

### Example 4 – Mixed Use Development

A proposal for a restaurant with 6 car parking spaces and 2 residential units with 2 parking spaces will be required to provide:

Standard	Residential	Commercial			
On adoption of SPD	2 EV charging points	20% Active Provision	1.2 spaces	80% Passive Provision	4.8
From 1 <sup>st</sup> January 2023	2 EV charging points	30% Active Provision	1.8 spaces	70% Passive Provision	4.2
From 1 <sup>st</sup> January 2025	2 EV charging points	40% Active Provision	2.4 spaces	60% Passive Provision	3.6

2 residential EV charging points, 1 non-residential EV charging point and 5 spaces with passive provision if permitted prior to 1<sup>st</sup> January 2023

2 residential EV charging points, 2 non-residential EV charging points and 4 spaces with passive provision if scheme permitted between 1<sup>st</sup> January 2023 and 31<sup>st</sup> December 2024

2 residential EV charging points, 2 non-residential EV charging points and 4 spaces with passive provision if scheme permitted after 1<sup>st</sup> January 2025.

Note: Spaces should be rounded up to the nearest whole number e.g. 3.6 spaces would be rounded up to 4 spaces, 14.4 would be rounded down to 14 spaces.

This SPD should be read in conjunction with the parking standards set out in Appendix 6 to the Development Management DPD<sup>13</sup> (2015).

### **Use of on-site renewable energy generation for EV charging**

Policy KP2 of the Southend Core Strategy (2007) seeks the reduction in the use of energy and other resources in new development and promotes on-site energy generation from renewable options and/or decentralised renewable or low carbon sources.

Policy DM2 of the Southend Development Management Document (2015) requires development proposals to contribute to minimising energy demand and carbon dioxide emission in accordance with the energy hierarchy. This includes conversions, extensions and/or alterations of existing buildings.

Where development schemes include on-site renewable energy generation, this should be harnessed to power any electric vehicle charging points provided, unless it can be clearly demonstrated that this is not technically feasible.

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<sup>13</sup> [Development Management Document - Adopted – Development Management \(DPD\) – Southend-on-Sea Borough Council](#)

Figure 2: Frequently Asked Questions

Questions	Answers
Is the new building a dwelling or a building containing dwellings?	If yes, the policy applies and the number of charging points should be calculated using the residential standard
Does the building have at least one associated parking space for the dwelling(s)?	If no, the policy does not apply.
What if the site can't accommodate any EV charging points for the car parking proposed?	The applicant will be required to demonstrate that it is not technically feasible to accommodate any EV charge points required.
What standards apply for mixed use development?	Applications for mixed use developments will be considered on a case-by-case basis but as a general principle where car parking is allocated solely in association with residential properties the residential standard will apply to those spaces.
How will I calculate how many spaces are required for non-residential uses?	Spaces should be rounded up to the nearest whole number e.g., 3.6 spaces would be rounded up to 4 spaces, 14.4 would be rounded down to 14 spaces
What about car parking provision for disabled people?	All car parking spaces designated for disabled parking should have an EV charge point.
How do I know what standards will be applied for my non-residential development?	The application will be determined in relation to the standards in place on the date the planning application is approved, as set out in Table 1

# Southend-on-Sea Borough Council

Agenda  
Item No.

**13**

Report of Chief Executive

To

Cabinet

On

15 June 2021

Report prepared by: Alison Griffin, Chief Executive

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## Senior Management Arrangements

### Policy and Resources Scrutiny Committee

Cabinet Member: Leader

**Part 1 (Public agenda item) with the exception of Appendix C (confidential and not for publication by virtue of paragraphs 1, 2 and 4 of part 1 of schedule 12A to the Local Government Act 1972)**

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#### 1. Purpose of Report

This report sets out proposals for a reconfigured corporate management team structure.

The Covid-19 pandemic and two upcoming retirements within the Corporate Management Team has given us the opportunity to review this team structure and proposes streamlining some of the corporate services overseen by the Executive Directors. This will create efficiencies and savings within the Senior Management structure but will continue to ensure the delivery of our 2050 ambition and continued recovery.

#### 2. Recommendations

1. That the reconfigured corporate management structure to reduce by one Executive Director from September 2021 and the associated annual saving from April 2022 be noted.
2. That the current Executive Director roles for Legal and Democratic Services and Transformation be deleted and one new Executive Director role (Strategy, Change and Governance) be created.
3. That the outcome of the HR procedures for individual officers are noted and agreed as detailed in Appendix C (Confidential)
4. To note the funding of the one-off payment detailed in Appendix C (Confidential).

5. That the services currently underneath the Executive Director roles for Legal and Democratic services, Transformation and Finance and Resources be realigned to the new post of Executive Director (Strategy, Change and Governance) and Executive Director (Finance and Resources), as set out in Appendix B.
6. That external recruitment is arranged for the vacant Executive Director (Strategy, Change and Governance) post and interim arrangements are put in place whilst the recruitment process is undertaken.
7. The revised Senior Leadership team posts be noted.
8. That the Chief Executive, in consultation with the Leader, be authorised to make further adjustments to the corporate management structure following relevant HR processes.

### 3. Background and new arrangements

The corporate management structure was reorganised following a cabinet report in July 2019.

The landscape has shifted significantly since then and gives us the opportunity to review how we work and deliver our services going forward and the ability to adapt to ensure we continue to support our 2050 ambition and the recovery required for the organisation following the covid pandemic.

The Council's senior officer structures need to be flexible so that resource and skill flows to where the work and system demands. As a result the structure of corporate management will need to adapt in an iterative way if strong leadership is to be demonstrated, positive change driven, innovation and commercialisation is encouraged, outcomes delivered with partners and risks managed appropriately. Designing the structure so it can adapt in an iterative way is also advantageous in that it makes it more resilient when officers move on.

Appendix A shows the current functions for the Executive Directors (Enabling Services) and Appendix B is the new structure resulting from the deletion of one Executive Director post. It should also be noted that Resilience (Emergency Planning and Business Continuity Planning) will move to the Deputy Chief Executive and Executive Director, Growth and Housing, and Registration Services to the Executive Director, Neighbourhoods and Environment.

The Senior Leadership Group also needs to be strengthened in some key areas. Therefore the current role of Assistant Director, Legal Services, will be regraded to Director of Legal Services and the Head of Corporate Finance will be regraded to Director of Financial Services (retaining the Deputy Section 151 Officer role).

The function of Monitoring Officer will move to the Head of Governance Services.

There has been a temporary Director role within Adult Services and this post will now be filled on a permanent basis and titled Director of Adult Services, Operations. This is needed to strengthen the capacity in Adult Social Care as a consequence of Covid-19 and supporting the adults' improvement journey.

In addition, there will be the creation of a new Director role under the Executive Director, Neighbourhoods and Environment entitled the Director of Highways Operations. This role will enable a dedicated resource to focus on the here and now with various Highways and Parking service needs. The current permanent role of Director of Planning will be deleted to fund the new Director of Highways Operations role. Separately an interim two year role for Director of Strategic Planning will be required. This will be necessary to support the delivery of the Local Plan, major strategic regeneration projects and to support the strategic programmes established through ASELA including the delivery of housing and infrastructure.

The Appointments and Disciplinary Committee will be considering the appointment of Andrew Lewis (Deputy Chief Executive and Executive Director, Growth and Housing) as Acting Interim Chief Executive at their meeting on 29 June 2021 where they will also be agreeing the shortlist for the permanent Chief Executive post.

It is important to note that the above changes will not affect the grading structure of the senior management group which will remain as agreed by Council and confirmed in the annual pay policy statement in February 2021.

#### **4. Other Options**

No changes are made to the current corporate management arrangements. The risk in this option is that the two Executive Director roles identified continue as currently aligned and do not allow for flexibility to effectively deliver our ambition and meet the changing demands and opportunities that have arisen as a result of the pandemic. The opportunity to make efficiencies and savings will be lost.

The Senior Leadership team would also not be strengthened to support the realigned Executive Director functions and would not enable the flexibility and capacity needed to deliver our ambition.

No changes to the current structure will prevent the potential annual financial savings being achieved from April 2022.

#### **5. Reasons for Recommendations**

The recommendations enable the proposals and rationale for the proposals set out in the report to be implemented. The recommendations will ensure, provided the Council is successful in recruitment, to deliver Councillors' priorities and manage corporate services more effectively and efficiently.

## 6. Corporate Implications

### 6.1 Contribution to the Southend 2050 Ambition and Road Map

### 6.2 Financial Implications

1. The permanent reduction of one Executive Director post in the Corporate Management Team will deliver an annual full year saving of circa £150,000 including oncosts and this will feature as a saving as part of the Council's budget setting process for 2022/23.
2. There will be an additional annual payment of £7,500 to be paid to the Head of Governance Services to cover the Monitoring Officer duties and this cost will be offset against the above saving of the Executive Director post.
3. The recruitment to the various permanent and interim posts will be through our corporate recruitment provider and the associated costs arising from the various recruitment and the cost of the interim roles will be funded initially through the 2021/22 in year savings from the Executive Director posts that are being deleted. If there are any additional costs then these will be met by the Business Transformation Reserve.
4. The financial position in respect of the two current Executive Director roles being deleted is set out in Appendix C.
5. The costs of changing some roles to a Director level will be met by the resultant deletion of the former titled posts and the small additional cost for each post moving to a Director level will be met from within the existing budget of the relevant service area. For the new post of Director of Highways Operations this will be funded by transferring the equivalent budget from the deleted permanent post of Director of Planning.
6. The cost of the two year Director of Strategic Planning role will be met through the current Strategic Plan budget and other associated capital schemes.

### 6.3 Legal Implications

Employment law requires consultation with the officers affected by these proposals. The Officer Employment procedure Rules in Part 4h of the Constitution (which incorporate the provisions of the Local Authorities (Standing Orders) Regulations 2001 and 2015) require the appointment of Chief Officers to be dealt with by the Appointments & Disciplinary Committee.



#### 6.4 People Implications

As detailed there will be a change in role for two Executive Director roles and Assistant Director, Legal and Head of Corporate Finance and these will be considered through the HR processes in consultation with the individuals in line with Council policies. Recruitment of the new Executive Director and Director posts will commence. HR processes will take place for the internal Director roles.

#### 6.5 Property Implications

None

#### 6.6 Consultation

Initial conversations have taken place with those staff directly affected by these proposals and the senior leadership group of the Council has been briefed.

#### 6.7 Equalities and Diversity Implications

The Council's HR policies that will be used to drive the implementation of these proposals have been subject to a full Equalities analysis.

#### 6.8 Risk Assessment

The new structure of the Corporate Management Team still provides for the relevant statutory roles and the necessary separation of duties to avoid conflicts of interest. The structure is also of sufficient size and resilience to manage and lead the organisation through Covid-19 recovery and to deliver on the Southend 2050 ambition and associated outcomes.

### 7. Background Papers

None

### 8. Appendices

**Appendix A – Current Executive Director Structure (Enabling Services)**  
**Appendix B – New Executive Director Structure (Enabling Services)**  
**Appendix C – Confidential (Part 2)**

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**Current Executive Director Structure  
(Enabling Services)**

**Executive Director  
Finance and Resources  
(Section 151 Officer)**

Financial Services (Deputy S151 Officer)  
(Including Financial accounting,  
Management accounting and  
Revenues and Benefits)

Property and Commercial

Internal Audit & Counter Fraud

Procurement

**Executive Director  
Legal & Democratic Services  
(Monitoring Officer)**

Legal Services  
(including Land charges)

Democratic Services  
(including Mayoralty)

Resilience  
(Emergency Planning & BCP)

**Executive Director  
Transformation**

Corporate Strategy  
(including Communications)

Customer Services  
(including registration)

ICT

HR & Payroll

**New Executive Director Structure  
(Enabling Services)**

**Executive Director  
Finance and Resources  
(Section 151 Officer)**

Financial Services (Deputy S151 Officer)  
(Including Financial accounting &  
Management accounting)

Property and Commercial

Internal Audit & Counter Fraud

Procurement

Revenues and Benefits

Customer Services  
(Including Business Support)

**Executive Director  
Strategy, Change and Governance**

Legal Services  
(including Land Charges)

Governance Services (Monitoring Officer)  
(Including Mayoralty and Information Office)

ICT

Corporate Strategy (including communications)

HR & Payroll

# Southend-on-Sea Borough Council

Report of Executive Director (Finance & Resources)  
to  
**Cabinet**  
on  
15 June 2021

Agenda  
Item No.

**14**

Report prepared by: Caroline Fozzard  
Group Manager – Financial Planning and Control

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**Annual Treasury Management Report – 2020/21**  
**Policy and Resources Scrutiny Committee**  
**Cabinet Member: Councillor Paul Collins**  
***A Part 1 Public Agenda Item***

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**1. Purpose of Report**

- 1.1. The Annual Treasury Management Report covers the treasury activity for the period from April 2020 to March 2021 and reviews performance against the Prudential Indicators for 2020/21.

**2. Recommendation**

**That Cabinet;**

- 2.1. **Approves the Annual Treasury Management Report for 2020/21 and the outturn Prudential Indicators for 2020/21.**
- 2.2. **Notes that the financing of 2020/21 capital expenditure of £66.085m has been funded in accordance with the schedule set out in Table 1 of section 4.**
- 2.3. **Notes that Capital Financing and Treasury Management were carried out in accordance with statutory requirements, good practice and in compliance with the CIPFA (The Chartered Institute of Public Finance and Accountancy) Prudential Code during 2020/21.**
- 2.4. **Notes the following in respect of the return on investment and borrowing;**
- **The loan and investment portfolios were actively managed to minimise cost and maximise interest earned, whilst maintaining a low level of risk.**
  - **£1.606m of interest and income distributions for all investments were earned during 2020/21 at an average rate of 1.06%. This is 1.13% over**

**the average 7 day LIBID rate (London Interbank Bid Rate) and 0.96% over the average bank base rate. Also the value of the externally managed funds decreased by a net of £0.353m due to the changes in the unit price, giving a combined return of 0.83%. (Section 7).**

- **The level of borrowing from the Public Works Loan Board (PWLB) (excluding debt relating to services transferred from Essex County Council on 1<sup>st</sup> April 1998) remained at £310.3m (Housing Revenue Account (HRA): £75.0m, General Fund (GF): £235.3m) throughout 2020/21.**
- **The level of financing for ‘invest to save’ schemes decreased from £8.64m to £8.53m by the end of 2020/21.**

### **3. Background**

- 3.1. The CIPFA Prudential Code requires the Council to set Prudential Indicators for its capital expenditure and treasury management activities and to report on them after the end of the financial year.
- 3.2. This Council has adopted the ‘CIPFA Code of Practice for Treasury Management in the Public Sector’ and operates its treasury management service in compliance with this Code. The Code requires the reporting of treasury management activities to:
  - Review actual activity for the preceding year (this report); and
  - Forecast the likely activity for the forthcoming year (in the Treasury Management and Prudential Indicators Report in February).
- 3.3. The Prudential Code is the key element in the system of capital finance that was introduced from 1<sup>st</sup> April 2004 as set out in the Local Government Act 2003. 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.
- 3.4. To demonstrate compliance with these objectives of prudence, affordability and sustainability each local authority is required to produce a set of prudential indicators and to update these annually as part of setting the Council’s budget.

#### 4. Prudential Indicators

4.1. Appendix A provides a schedule of the prudential indicators.

4.2. Capital Expenditure

The first of these is the amount of capital expenditure in the year on long term assets. The table below shows this and the ways it has been financed.

Table 1: Capital Expenditure and Financing

	<b>2020/21 Revised Budget £000s</b>	<b>2020/21 Actual £000s</b>	<b>2020/21 Variance £000s</b>
Total Capital Expenditure	<b>71,936</b>	<b>66,085</b>	<b>(5,851)</b>
Financed by:			
Borrowing <sup>(1)</sup>	21,626	18,759	(2,867)
Invest to Save Financing <sup>(1)</sup>	15,194	15,262	68
Capital Receipts	3,729	3,466	(263)
Capital Grants Utilised	17,370	18,443	1,073
Major Repairs Reserve	7,259	6,221	(1,038)
Other Revenue/ Capital Reserve Contributions	5,209	2,426	(2,783)
Other Contributions	1,549	1,508	(41)
Total Financing	<b>71,936</b>	<b>66,085</b>	<b>(5,851)</b>

Note 1 - this relates to both internal and external borrowing

The capital expenditure financed by borrowing is lower than budgeted and the capital expenditure financed by grants is higher than budgeted. This is partly due to the project for the increased provision of secondary school places where the grant funding is paid in instalments over several years and borrowing is used until the grant funding becomes available. This year grant funding was available instead of borrowing. There was also less spend than anticipated on other schemes financed by borrowing such as ICT and culture and tourism where the projects will continue into 2021/22. The lower than budgeted capital expenditure financed by reserve contributions was due to the Council Housing refurbishment, acquisitions and construction programmes proceeding slower than expected due to the pandemic.

As at 31 March 2021 actual borrowing by the HRA was £99.091m, comprising £74.993m external borrowing and £24.098m internal borrowing.

The HRA can also finance its capital spend from the major repairs reserve, from grants and directly from the HRA by way of revenue contributions to capital.

#### 4.3. Capital Financing Requirement (CFR)

The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is a measure of the Council's debt position and represents capital expenditure up to the end of 2020/21 which has not yet been charged to revenue. The process of charging the capital expenditure to revenue is a statutory requirement and is done by means of the Minimum Revenue Provision (MRP). The Council's CFR is shown in table 2 and is a key prudential indicator.

Table 2: Capital Financing Requirement (CFR)

	<b>31st March 2021 Revised Budget £000s</b>	<b>31st March 2021 Actual £000s</b>
Balance 1st April 2020	372,555	372,555
Plus: capital expenditure financed by borrowing (internal and invest to save financing)	36,820	34,021
Less: Minimum Revenue Provision	(8,934)	(8,806)
Balance 31st March 2021	400,441	397,770

The CFR is the Council's theoretical need to borrow but the Section 151 Officer can manage the Council's actual borrowing position by either borrowing to the CFR, choosing to use temporary cash flow funds instead of borrowing (internal borrowing) or borrowing for future increases in the CFR (borrowing in advance of need). The Section 151 Officer currently manages the Council's actual borrowing position in the second of the above CFR scenarios.

Of the sum in table 2 above, the Council has already addressed the theoretical need to borrow by having undertaken external borrowing and credit arrangements of £321.148m and by internally borrowing the remaining £76.622m.

#### 4.4. Treasury Position on Borrowing and Investments

The overall treasury position at 31 March 2021 compared with the previous year is set out in the table on the next page.



Table 3: Treasury Position

	31 March 2021 Revised Budget	31 March 2021 Actual	
	Principal £000s	Principal £000s	Average Rate (%)
Total gross Debt <sup>#</sup> (excluding ECC transferred debt)	321,288	321,148	3.77

# This includes PWLB borrowing of £310.332m with the balance being invest to save financing, short term borrowing for cash flow purposes and finance leases (as these are credit arrangements).

In order to ensure that borrowing levels are prudent over the medium term, the Council's gross external borrowing must only be for a capital purpose. Gross borrowing should not therefore, except in the short term, exceed the CFR for 2020/21 plus the expected changes to the CFR over 2021/22 and 2022/23. The table below shows that the Council has complied with this requirement.

Table 4: CFR compared to Gross Borrowing Position

	31 March 2021 Revised Budget £000s	31 March 2021 Actual £000s
Gross borrowing position	321,288	321,148
Estimated Capital Financing Requirement at 31 March 2023		425,525

#### 4.5. Authorised Limit, Operational Boundary and Ratio of Financing Costs

In addition to ensuring that the net borrowing position is lower than the CFR, the Council is required to set gross borrowing limits. These are detailed below with the actual positions during the year.

Table 5: Borrowing limits

	2020/21 (£000s)
Authorised Limit	385,000
Operational Boundary	375,000
Maximum gross borrowing position during the year	321,536
Financing costs as a proportion of net revenue stream	12.51%

The Authorised Limit is the “Affordable Borrowing Limit” required by the Local Government Act 2003. This is the outer boundary of the Council’s borrowing based on a realistic assessment of the risks. The table above demonstrates that during 2020/21 the Council has maintained gross borrowing within its Authorised Limit.

The Operational Boundary is the expected borrowing position of the Council during the year, and periods where the actual position is either below or over the Boundary are acceptable subject to the Authorised Limit not being breached. The Council has maintained borrowing within the boundary throughout 2020/21.

The indicator “financing costs as a proportion of net revenue stream” identifies the cost of capital (borrowing costs net of investment income) as a proportion of the Council’s total budget. For the General Fund the actual figure in 2020/21 was 12.51%.

#### 4.6. Maturity structure of borrowing (against maximum position)

The table below shows the upper limits for which the Council delegates its length of borrowing decisions to the Executive Director (Finance and Resources)/Section 151 Officer in 2020/21 and the actual maturity structure of the borrowing as at 31st March 2021.

Table 6: Maturity Structure of Borrowing

	<b>Upper limit %</b>	<b>Outstanding debt maturity at 31<sup>st</sup> March 2021 %</b>
Under 12 months	20	1
12 months and within 24 months	30	0
24 months and within 5 years	40	3
5 years and within 10 years	60	23
10 years and within 20 years	100	32
20 years and within 30 years	100	3
30 years and above	80	38

The percentages in each category for the upper limits do not add up to 100% as they do not represent an actual allocation.

## 5. Treasury Management Strategy

- 5.1. During 2020/21 the Council complied with all of the relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of the Code of Practice for Treasury Management means its treasury practices demonstrate a low risk approach.

- 5.2. The Council is aware of the risks of passive management of the treasury portfolio and has taken steps to monitor the proactive management of the debt and investments over the year with the support of its treasury management advisers.
- 5.3. Shorter-term variable rates and likely future movements in these rates predominantly determine the Council's in-house investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.
- 5.4. UK interest rates continued to be low throughout 2020/21. The bank base rate stayed at 0.10% throughout the year which adversely impacted the investment return on monies being managed in-house.
- 5.5. The monies being managed by external fund managers were impacted by the effects of Covid-19 throughout the year. The impact on the short dated bond funds was short term in nature and their investment performance recovered quite quickly to pre-pandemic levels. The property fund income distributions were affected by the pandemic as these are based on property rental income. The size and extent of the effect on income depended on the properties in their portfolios, the quality of the tenants and any special arrangements put in place by the fund managers so that they could keep rental payment defaults to a minimum. Mostly the impact on the income distributions has been to delay part of the payment until later quarters, so that the fund managers could protect their cashflow positions. The property funds were impacted more by the value of the units being adversely affected by lower property valuations in some sectors, with the impact depending on the mix of properties in each fund. In line with the capital finance and accounting regulations the Financial Instrument Revaluation reserve is used to capture all the changes in the unit value of the funds so they do not affect the General Fund balance. (See sections 8 and 9 for the performance of the externally managed funds.
- 5.6. Long term interest rates from the Public Works Loans Board (PWLB) fluctuated throughout 2020/21 in response to economic events: 10 year PWLB rates between 1.04% and 2.31%; 25 year PWLB rates between 1.53% and 2.87% and 50 year PWLB rates between 1.31% and 2.70%. These rates are after the PWLB 'certainty rate' discount of 0.20%.
- 5.7. No new PWLB loans were taken out during 2020/21 and no loans matured during that period.
- 5.8. The level of PWLB borrowing at £310.3m is in line with the financing requirements of the capital investment programme and the revenue costs of this borrowing are fully accounted for in the revenue budget. The current level of borrowing is also in line with the Council's prudential indicators and is prudent, affordable and sustainable.

## **6. Borrowing**

### **PWLB and short term borrowing**

- 6.1. The table on the next page summarises the PWLB borrowing activities during the financial year 2020/21:

Table 7: PWLB borrowing

Quarter	Borrowing at beginning of quarter (£m)	New Borrowing (£m)	Re-financing (£m)	Borrowing repaid (£m)	Borrowing at end of quarter (£m)
April to June 2020	310.3	0	0	(0)	310.3
July to September 2020	310.3	0	0	(0)	310.3
October to December 2020	310.3	0	0	(0)	310.3
January to March 2021	310.3	0	0	(0)	310.3

6.2. The Council's outstanding PWLB borrowing as at 31<sup>st</sup> March 2021 was:

- Southend-on-Sea Borough Council £310.3m\*
- ECC transferred debt £10.2m

\* £235.3m General Fund and £75.0m Housing Revenue Account.

6.3. Repayments in 2020/21 were:

- Southend-on-Sea Borough Council £0m
- ECC transferred debt £0.6m

6.4. Outstanding debt relating to services transferred from Essex County Council (ECC) on 1<sup>st</sup> April 1998, remains under the management of ECC. Southend Borough Council reimburses the debt costs incurred by the County. The debt is recognised as a deferred liability on our balance sheet.

6.5. The table below summarises our PWLB borrowing position as at the end of 2020/21:

Table 8: Debt position

	31 March 2021		31 March 2020	
	Principal (£000s)	Average Rate (%)	Principal (£000s)	Average Rate (%)
-PWLB – Fixed	310,332*	3.77	310,332	3.93
-ECC Transferred Debt	10,154	2.31	10,707	2.43

\* £235.3m General Fund and £75.0m Housing Revenue Account.

6.6. Some of the Council's borrowings are at a higher interest rate than the current rate of borrowing. To redeem these loans before their maturity date (i.e. to

redeem them early) the Council would be required to pay a premium (this is like paying to redeem a mortgage early except the amount of the penalty depends on the prevailing rate of interest). New loans could then be taken out at the current rate.

- 6.7. In November 2007 the PWLB changed its structure of interest rates so that any early repayment of PWLB debt has a higher repayment rate applied. No PWLB restructuring was carried out in 2020/21 due to the higher cost of PWLB repayments making it uneconomical and giving no benefit to the Council.
- 6.8. The total interest payments during the year were £11.7m, compared to the original budget of £12.5m. This underspend is due to the assumption in the original budget being that the Council would take out £45m of loans during 2020/21 but no new loans were taken out.
- 6.9. During the year no short term borrowing was undertaken for cash flow purposes.

### **Funding for Invest to Save Schemes**

- 6.10. Capital projects were completed on energy efficiency improvements at the Beecroft Art Gallery, replacement lighting on Southend Pier, draughtproofing of windows, lighting replacements at University Square Car Park and Westcliff Library which will generate on-going energy savings. These are invest-to-save projects and the predicted revenue streams cover as a minimum the financing costs of the project.
- 6.11. To finance these projects in total the Council has taken out interest free loans of £0.161 with Salix Finance Ltd which is an independent, not for profit company, funded by the Department for Energy and Climate Change that delivers interest-free capital to the public sector to improve their energy efficiency and reduce their carbon emissions. The loans are for periods of four and five years with equal instalments to be repaid every six months. There are no revenue budget implications of this funding as there are no interest payments to be made and the revenue savings generated are expected to exceed the amount needed for the repayments. £0.031m of these loans were repaid during the year.
- 6.12. At the meeting of Cabinet on 23rd June 2015 the LED Street Lighting and Illuminated Street Furniture Replacement Project was approved which was to be partly funded by 25 year reducing balance 'invest to save' finance from L1 Renewables Ltd. Repayments of £0.080m were made during the year and the balance outstanding at 31 March 2021 was £8.46m.

## 7. Investments

7.1. The table below summarises the Council's investment position at the end of 2020/21:

Table 9: Investment position

	31 March 2021	2020/21		31 March 2020	2019/20	
	Principal (£000s)	Average Balance (£000s)	Average Rate (%)	Principal (£000s)	Average Balance (£000s)	Average Rate (%)
Call accounts #	15,816	22,269	0.00	34,936	5,450	0.23
Money Market Funds	49,000	50,742	0.16	4,000	34,088	0.86
Notice accounts	10,000	5,750	0.30	0	0	0.00
Fixed Term Deposits	15,000	25,134	0.90	35,000	37,008	1.04
<b>Total investments managed in-house</b>	<b>89,816</b>	<b>103,895</b>	<b>0.31</b>	<b>73,936</b>	<b>76,546</b>	<b>0.90</b>
Enhanced Cash Funds	5,098	5,080	2.70	4,990	5,080	(0.52)
Short Dated Bond Funds	15,546	15,432	5.42	14,992	15,465	(0.49)
Property Funds	26,539	26,708	(0.17)	27,554	28,284	1.05
<b>Total externally managed funds</b>	<b>47,183</b>	<b>47,220</b>	<b>1.96</b>	<b>47,536</b>	<b>48,829</b>	<b>0.40</b>
<b>Total investments@</b>	<b>136,999</b>	<b>151,115</b>	<b>0.83</b>	<b>121,472</b>	<b>125,375</b>	<b>0.70</b>

# This includes the council's main current account.

@ This excludes the cash held by schools.

7.2. In summary the key factors to note are:

- An average of £103.9m of investments were managed in-house. These earned £0.325m of interest during the year at an average rate of 0.31%. This is 0.38% over the average 7 day LIBID and 0.21% over the average bank base rate;
- An average of £5.1m was managed by an enhanced cash fund manager. During the year this earned £0.029m in income distributions at an average

rate of 0.56% and the value of the fund increased by £0.108m at an average rate of 2.14%, giving a combined return of 2.70%;

- An average of £15.4m was managed by two short dated bond fund managers. During the year these earned £0.282m in income distributions at an average rate of 1.83% and the value of the funds increased by £0.554m at an average rate of 3.59%, giving a combined return of 5.42%;
- An average of £26.7m was managed by two property fund managers. During the year these earned £0.970m in income distributions at an average rate of 3.63% and the value of the funds decreased by £1.015m at an average rate of (3.80)%, giving a combined return of (0.17)%.
- In total the value of the externally managed funds decreased by a net of £0.353m due to the changes in the unit price. This is set out in the table below:

Table 10: Externally managed funds – changes in unit price

<b>Fund</b>	<b>Table Number</b>	<b>Amount (£m)</b>
Payden Sterling Reserve Fund	13	108
AXA Sterling Credit Short Duration Bond Fund	14	296
Royal London Investment Grade Short Dated Credit Fund	15	258
Patrizia Hanover Property Unit Trust	16	(791)
Lothbury Property Trust	17	(224)
<b>Total net decrease due to changes in unit price</b>		<b>(353)</b>

- 7.3. In line with the capital finance and accounting regulations a Financial Instrument Revaluation reserve will be used to capture all the changes in the unit value of the externally managed funds and these will not impact the revenue account, with only the income distributions impacting that. As a total over all the investments, £1.606m of interest and income distributions were received during the year. The total investment income (including the movement on the unit price of externally managed funds) was £1.253m, giving a combined return of 0.83%.
- 7.4. The actual rate on investments earned in 2020/21 was 0.83% compared to a forecast of 1.92% which was included in the budget. This forecast was based on the best estimates of balances and future interest rates at the time the budget was set and did not envisage a global pandemic.
- 7.5. The Council earned a total of £1.253m of interest through the investment of surplus funds both in-house and with the fund managers. The interest earned was £0.941m lower than the budgeted figure of £2.194m. Although there were higher levels of in-house balances to invest, this was more than offset by the decreases in bank base rate and the decreases in the unit value of the externally

managed funds. These forecasts were based on the best estimates at the time the budget was set.

- 7.6. The Council's investment policy is governed by the CIPFA Code of Practice for Treasury Management in the Public Sector, which has been implemented in the 2020/21 Annual Treasury Management Investment Strategy approved by the Council on 20 February 2020. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 7.7 The majority of the cash balances held by the Council are required to meet short term cash flow requirements and therefore throughout the year monies were placed 17 times into Money Market Funds. In the light of the banking crisis and the prevailing financial market conditions there has been greater emphasis on counterparty risk and the security of the principal sums invested.

The table below shows the most used counterparties overall and the countries in which they are based. All deals are in sterling despite the country the counterparties are based in.

Table 11: Counterparties used

Counterparty	Country	No. of Deals	Value of Deals (£m)
Insight Investment Management Ltd	Money Market Fund (Various Counterparties)	6	59
Goldman Sachs	Money Market Fund (Various Counterparties)	4	31
Blackrock	Money Market Fund (Various Counterparties)	5	29
Aberdeen Liquidity Fund	Money Market Fund (Various Counterparties)	2	19
<b>Total</b>		<b>17</b>	<b>138</b>

- 7.8 In addition to the above, use was also made of call accounts during the year, because they provide instant access to funds. This meant that funds were available for unexpected cash flow events to avoid having to pay higher rates to borrow from the market. During 2020/21 an average of £22.3m was held in such accounts.
- 7.9 During 2020/21 an average of £5.8m was also invested in a 95-day notice account.
- 7.10 For cash balances that are not needed to meet immediate or very short term cash flow requirements, monies were invested in fixed term deposits of up to one year, depending on the liquidity requirements. The table on the next page shows the fixed term deposits held during the year:

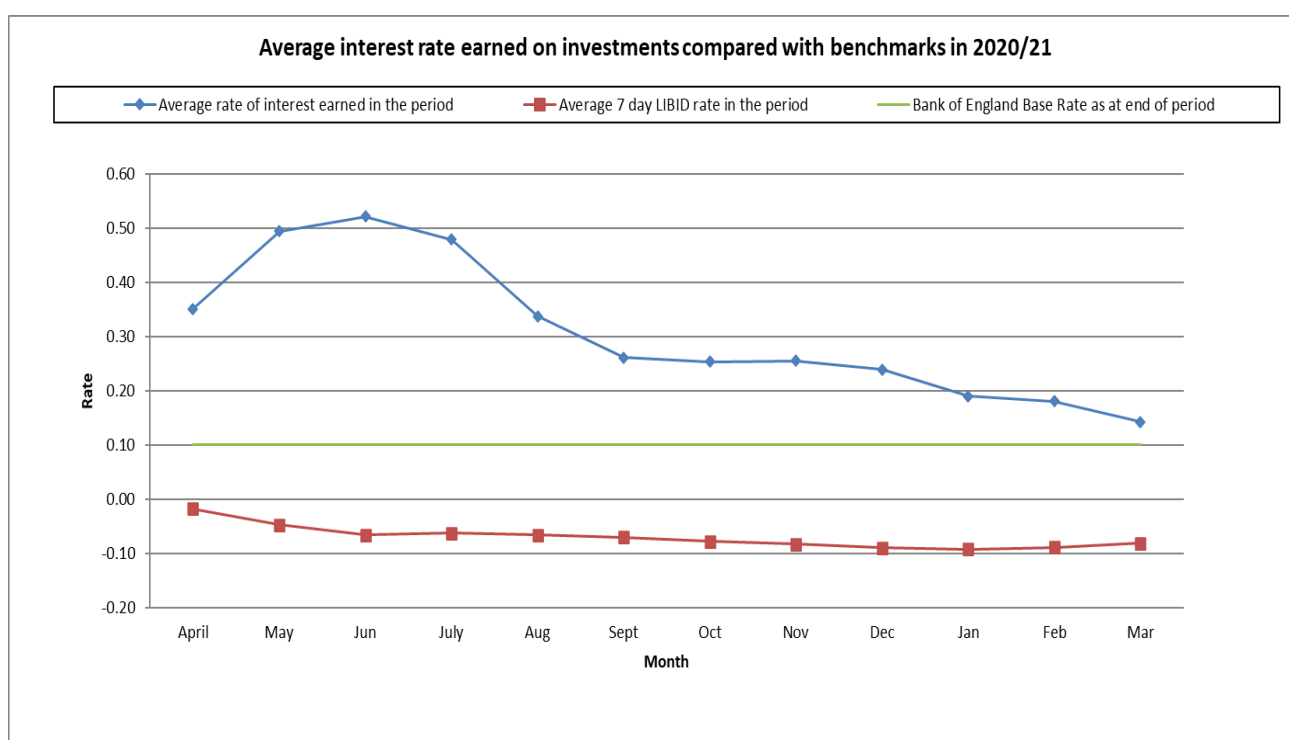


Table 12: Fixed Term Deposits

Counterparty	Date of Deposit	Return Date	Number of days	Interest rate (%)	Amount (£m)
Santander UK plc	14/08/2019	14/08/2020	366	1.15	10
Lloyds Bank plc	14/08/2019	14/08/2020	366	1.10	20
Santander UK plc	27/02/2020	01/03/2021	368	1.10	5
Santander UK plc	12/08/2020	12/08/2021	365	0.55	5
Santander UK plc	14/08/2020	16/08/2021	367	0.55	10

7.11 The in-house performance during the year is compared to the average 7 day LIBID rate. The graph below shows the Council's performance month by month compared to this benchmark and to the bank base rate.

Graph1: In-house investment performance compared to benchmarks



7.12 Overall, performance on in-house managed funds was 0.38% over the average 7 day LIBID rate for the year and averaged 0.21% over the average base rate for the year. Performance reduced from August when the two fixed term deposits at 1.15% and 1.10% matured. These monies were originally invested pre-pandemic and could not be reinvested at those rates, as the prevailing rates had fallen significantly in response to the decreases in bank base rate in March 2020.

7.13 There is a lot of uncertainty about how the financial markets will react as the lockdown is further eased and the economy enters the recovery phase. Some economists are forecasting low interest rate for up to five years. It is likely that a very low interest rate environment will continue into the medium term which will

mean the continuation of the lower levels of in-house investment income than in previous years.

- 7.14 During the year the Council used the enhanced cash fund manager Payden & Rygel to manage monies on our behalf. An average balance of £5.1m was invested in these funds during the year. The table below shows the movement in the fund value over the year, the income distributions for the year, the returns both for each element and the combined return.

Table 13: Payden Sterling Reserve Fund

<b>2020/21</b>	<b>£m</b>	<b>Investment return (%)</b>
Value of fund at start of year	4.990	
Increase/decrease in fund due to value of unit price	0.108	2.14
Value of fund at end of year	5.098	
Income distributions	0.029	0.56
Combined investment income (income distribution plus change in fund value due to unit price)	0.137	2.70

## **8. Short Dated Bond Funds**

- 8.1. Throughout the year medium term funds were invested in two short dated bond funds: Royal London Investment Grade Short Dated Credit Fund and the AXA Sterling Credit Short Duration Bond Fund.
- 8.2. The monies are invested in units in the fund, the fund is then invested as a whole by the fund managers into corporate bonds in the one to five year range. An income distribution will be generated from the coupon on the bond and income distributions are paid to the Council. The price of units can rise and fall, depending on the price of bonds in the fund so these funds are invested over the medium term with the aim of realising higher yields than short term investments.
- 8.3. In line with the capital finance and accounting regulations the Financial Instrument Revaluation reserve will be used to capture all the changes in the unit value of the funds. Members should be aware that the investment returns in some quarters will look very good and in other quarters there may be losses reported, but these will not impact the revenue account as only the income distributions will impact that and not the change in the unit price.
- 8.4. An average of £7.7m was managed by AXA Investment Managers UK Limited. The table on the next page shows the movement in the fund value over the year, the income distributions for the year, the returns both for each element and the combined return.

Table 14: AXA Sterling Credit Short Duration Bond Fund

2020/21	£m	Investment return (%)
Value of fund at start of year	7.437	
Increase/decrease in fund due to value of unit price	0.296	3.87
Value of fund at end of year	7.733	
Income distributions*	0.107	1.40
Combined investment income (income distribution plus change in fund value due to unit price)	0.403	5.27

\*Part of this income distribution is an estimate which will be confirmed and distributed in quarter 1 of 2021/22.

- 8.5. An average of £7.8m was managed by Royal London Asset Management. The table below shows the movement in the fund value over the quarter, the income distributions for that quarter, the returns both for each element and the combined return.

Table 15: Royal London Investment Grade Short Dated Credit Fund

2020/21	£m	Investment return (%)
Value of fund at start of year	7.555	
Increase/decrease in fund due to value of unit price	0.258	3.32
Value of fund at end of year	7.813	
Income distributions	0.175	2.25
Combined investment income (income distribution plus change in fund value due to unit price)	0.433	5.57

## 9. Property Funds

- 9.1. Throughout the year long term funds were invested in two property funds: Patrizia Hanover Property Unit Trust and Lothbury Property Trust.
- 9.2. The monies are invested in units in the fund, the fund is then invested as a whole by the fund managers into properties. An income distribution is generated from the rental income streams from the properties in the fund. Income distributions are paid to the Council. There are high entrance and exit fees and the price of the units can rise and fall, depending on the value of the properties in the fund, so these funds are invested over the long term with the aim of realising higher yields than other investments.
- 9.3. In line with the capital finance and accounting regulations the Financial Instrument Revaluation reserve will be used to capture all the changes in the unit value of the funds. Members should be aware that the investment returns in

some quarters will look very good and in other quarters there may be losses reported, but these will not impact the revenue account as only the income distributions will impact that and not the change in unit price.

- 9.4. An average of £13.9m was managed by Patrizia Property Investment Managers LLP. The table below shows the movement in the fund value over the year, the income distributions for the year, the returns both for each element and the combined return.

Table 16: Patrizia Hanover Property Unit Trust

<b>2020/21</b>	<b>£m</b>	<b>Investment return (%)</b>
Value of fund at start of year	14.454	
Increase/decrease in fund due to value of unit price	(0.791)	(5.70)
Value of fund at end of year	13.663	
Income distributions*	0.612	4.41
Combined investment income (income distribution plus change in fund value due to unit price)	(0.179)	(1.29)

\* Part of this income distribution is an estimate which will be confirmed and distributed in quarter 1 of 2021/22.

- 9.5. An average of £12.8m was managed by Lothbury Investment Management Limited. The table below shows the movement in the fund value over the year, the income distributions for the year, the returns both for each element and the combined return.

Table 17: Lothbury Property Trust

<b>2020/21</b>	<b>£m</b>	<b>Investment return (%)</b>
Value of fund at start of year	13.100	
Increase/decrease in fund due to value of unit price	(0.224)	(1.75)
Value of fund at end of year	12.876	
Income distributions	0.358	2.79
Combined investment income (income distribution plus change in fund value due to unit price)	0.134	1.04

## 10. Other Options

- 10.1. There are many options available for the operation of the Treasury Management function, with varying degrees of risk associated with them. The Treasury Management Policy aims to effectively control risk to within a prudent level, whilst providing optimum performance consistent with that level of risk.

## **11. Reasons for Recommendations**

- 11.1. The CIPFA Code of Practice on Treasury Management recommends that Local Authorities should submit reports regularly. The Treasury Management Policy Statement for 2020/21 set out that reports would be submitted to Cabinet quarterly on the activities of the treasury management operation.

## **12. Corporate Implications**

### **12.1. Contribution to Council's Vision & Critical Priorities**

Treasury Management practices in accordance with statutory requirements, together with compliance with the prudential indicators acknowledge how effective treasury management provides support towards the achievement of the Council's ambition and desired outcomes.

### **12.2. Financial Implications**

The financial implications of Treasury Management are dealt with throughout this report.

### **12.3. Legal Implications**

This Council has adopted the 'CIPFA Code of Practice for Treasury Management in the Public Sector' and operates its treasury management service in compliance with this code.

### **12.4. People Implications**

None.

### **12.5. Property Implications**

None.

### **12.6. Consultation**

The key Treasury Management decisions are taken in consultation with our Treasury Management advisers.

### **12.7. Equalities Impact Assessment**

None.

### **12.8. Risk Assessment**

The Treasury Management Policy acknowledges that the successful identification, monitoring and management of risk are fundamental to the effectiveness of its activities.

## 12.9. Value for Money

Treasury Management activities include the pursuit of optimum performance consistent with effective control of the risks associated with those activities.

## 12.10. Community Safety Implications

None.

## 12.11. Environmental Impact

None.

## 13. Background Papers

None.

## 14. Appendices

Appendix A - Prudential Indicators 2020/21

## Prudential Indicators 2020/21

	Figures are for the financial year unless otherwise titled in italics	2020/21 Revised Indicator	2020/21 Actual
1	Capital Expenditure	£71.936m	£66.085m
2	Capital Financing Requirement (CFR)	£400.441m	£397.770m
3	Gross Borrowing at 31 March	£321.288m	£321.148m
4	Authorised Limit ( <i>against maximum position</i> )	£385.000m	£385.000m
5	Operational Boundary	£375.000m	£375.000m
6	Ratio of financing costs to net revenue stream	12.90%	12.51%
7	Maturity structure of fixed rate borrowing: ( <i>against maximum position</i> )		
	Under 12 months	20%	1%
	12 months to 2 years	30%	0%
	2 years to 5 years	40%	3%
	5 years to 10 years	60%	23%
	10 years to 20 years	100%	32%
	20 years to 30 years	100%	3%
	30 years and above	80%	38%
	Total	N/A	100%

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## SOUTHEND-ON-SEA BOROUGH COUNCIL

### TREASURY MANAGEMENT POLICY STATEMENT 2021/22

#### 1 Background

- 1.1 The purpose of this statement is to outline the Council's treasury management policy.
- 1.2 The CIPFA Code of Practice on Treasury Management recommends that Local Authorities:
  - Adopt the CIPFA code;
  - Create and maintain both a Treasury Management Policy Statement and suitable Treasury Management practices;
  - Appoint an officer to whom Treasury Management is delegated;
  - Submit reports regularly.
- 1.3 Cabinet approved adoption of the CIPFA code of Practice for Treasury Management at its meeting on 12 February 2002. CIPFA published a major revision to the Code of Practice for Treasury Management on 27 November 2009, the implementation of which was the subject of a report to Audit Committee submitted to its meeting of 13 January 2010. Since then there have been a number of more minor revisions, the latest being in December 2017.
- 1.4 There is a requirement in the revised code that the treasury management policy should be scrutinised in detail by a specialist committee, before being accepted by the authority, and should be monitored regularly.
- 1.5 The treasury management policy is agreed in advance of the year to which it relates. The policy is then monitored regularly and is updated, as appropriate, to reflect changing circumstances and guidance.
- 1.6 The Council has nominated the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management policy, before approval by full Council as part of the approval of the budget.
- 1.7 The Chief Finance Officer (Section 151 Officer under the Local Government Act 1972) is the person responsible for the treasury management function.
- 1.8 The revised code requires that, as a minimum, reporting should include an annual strategy in advance of the year, a mid-year review and an annual report after its close. The reporting and scrutiny of the strategy and policy are dealt with above. Reports on the activities of the treasury management function will be submitted to Cabinet quarterly. One such

report will comprise an annual report for presentation before 31 July of the succeeding year. Another report will be a mid-year review reporting in November of each year.

- 1.9 In the latest version of the CIPFA Code of Practice on Treasury Management the term “investments” now covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment in property portfolios. This may therefore include investments which are not managed as part of normal treasury management and are therefore covered by the Capital Investment Policy which forms part of the Capital Investment Strategy.

## **2 Duration of the Policy Statement**

- 2.1 This Treasury Management Policy Statement covers the 2021/22 financial year.

## **3 Scope of the Treasury Management Function**

- 3.1 The Council defines its treasury management activities as:
- the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions;
  - the effective control of the risks associated with those activities;
  - the pursuit of optimum performance consistent with those risks.
- 3.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
- 3.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
- 3.4 The Council acknowledges that responsibility for the effective management and control of risk lies with the authority.

## **4 Use of a treasury management adviser**

- 4.1 The services of a treasury management adviser, Link Asset Services will be used throughout 2021/22 to assist the Council to develop and enhance the performance of the treasury management function.

- 4.2 The role of this adviser is to provide relevant and timely information and advice on all aspects of treasury management.
- 4.3 The Council recognises that responsibility for treasury management decisions remains with the authority at all times.

## 5 Funding requirements for the capital investment programme

5.1 The following methods of funding have been identified as being available to the Council for use in 2021/22:

- Borrowing;
- Use of capital receipts - from the sale of surplus assets;
- Use of Government Grants – e.g. Local Growth Fund, or grants from the Department for Education;
- Other external contributions – e.g. Section 106 agreements;
- Revenue funding – e.g. transferred from the Revenue Account.

5.2 No additional funding source will be used without the agreement of the Cabinet.

## 6 Limits on external borrowings

6.1 The Council must set an operational boundary and authorised limit for external debt. The operational boundary is how much 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.

6.2 The table below shows the operational boundary and authorised limits for borrowing for 2020/21 and 2021/22:

	<b>2020/21 Original £m</b>	<b>2021/22 Original £m</b>
Operational boundary	375	375
Authorised limit	385	385

In accordance with the Prudential Code these limits exclude outstanding debt relating to services transferred from Essex County Council (ECC) on 1 April 1998.

6.3 As the cost of borrowing had fallen to record lows and Local Authorities had been increasing their use of the Public Works Loan Board (PWLB), HM Treasury took the decision to increase the margin that applies to new loans from the PWLB by 1% on top of the usual lending terms, with immediate effect from 9th October 2019.

- 6.4 In March 2020 the Government started a consultation process on the reform of the PWLB lending terms. On 25th November 2020 the Chancellor announced the conclusion of this consultation. The lending terms now exclude the use of the PWLB for any Local Authority that includes the purchase of any capital asset primarily for yield in their three year capital investment programme. For Local Authorities that qualify for these lending terms, the Government has removed the extra 1% (that it applied in October 2019) from PWLB lending rates. Local Authorities that don't qualify for these lending terms are unable to access any PWLB borrowing until such time as they cease to have any capital asset primarily for yield in their three year capital investment programme.
- 6.5 The operational boundary and authorised limits therefore allow for some borrowing to take advantage of exceptionally low lending rates should the opportunity arise.

## **7 Policy on sources and types of long term borrowing**

- 7.1 The Council's long term borrowing (i.e. for more than one year) for 2021/22 will be via any type of loan from the Public Works Loan Board (which is a statutory body whose function is to lend money to local authorities and other prescribed bodies) or from banks, building societies or other financial institutions as appropriate.
- 7.2 In addition, if it is deemed to be economically advantageous the Section 151 Officer, in consultation with our Treasury Management advisers, can issue bonds to raise funds, either in this council's name or collaboratively with other Local Authorities or via the Local Government Association (LGA), and either as a private or public placement.
- 7.3 In addition, if it is deemed to be economically advantageous the Section 151 Officer, in consultation with our Treasury Management advisers, can borrow from other Local Authorities.
- 7.4 In addition, if it is deemed to be economically advantageous the Section 151 Officer, in consultation with our Treasury Management advisers, can borrow for the purposes of financing regeneration and other infrastructure related projects.
- 7.5 The PWLB is usually the most economic source available to the Council for long term borrowing. The Council is eligible for HM Treasury's 'certainty rate' which is a discount of 0.2% on standard rates.
- 7.6 Financing arrangements other than borrowing will be in the form of leases. These will be taken out to finance the purchase or use of assets such as equipment or vehicles.

## **8 Timing of new borrowing**

- 8.1 New borrowing will be undertaken as and when required to finance capital. The Council's Section 151 Officer is authorised to make application for loans during 2021/22 that are deemed appropriate for the long term financing of capital. The amount and timing of these loans will have regard to the Council's cash flow, the PWLB interest rates and the future requirements of the capital investment programme.

## **9 Debt restructuring policy**

- 9.1 Some of the Council's borrowings are at a higher interest rate than the current rate of borrowing. To redeem these loans before their maturity date (i.e. to redeem them early) the Council would be required to pay a premium (this is like paying to redeem a mortgage early except the amount of the penalty depends on the prevailing rate of interest). New loans could then be taken out at the current rate. The savings to be made by paying interest at a lower rate need to be offset by the premiums payable before a decision is made as to whether this would be economically advantageous.
- 9.2 Similarly, some of the Council's borrowings can be at a lower interest rate than the current rate of borrowing. To redeem these loans early the Council would receive a discount (this is the opposite of a premium). New loans could then be taken out at the current rate. The discount receivable would need to be offset by the higher rate of interest paid before a decision is made as to whether this would be economically advantageous.
- 9.3 The Council will undertake debt restructuring as and when appropriate opportunities arise. The main objective of a restructure will be to produce reductions in financing costs as part of an overall budget strategy. The advice of our treasury management advisers would be sought. Members would be notified via the quarterly reporting to Cabinet on treasury management activities.

## **10 Treasury Management Investments**

- 10.1 See the Annual Treasury Management Investment Strategy.

## **11 The approved activities of the Treasury Management operation are as follows:**

- Risk management;
- Cash flow management (daily balance and longer term forecasting);
- Investing surplus funds in approved investments;
- Use of brokers for placing investments;
- Investing surplus funds with external fund managers;

- Long term borrowing to fund the capital investment programme;
- Short term borrowing for cash flow purposes;
- Management of debt (including repayment and rescheduling);
- Capital receipts management;
- Leasing arrangements for the Council (including schools);
- Banking activities;
- Training for members and officers;
- Prevention of money laundering.

## **12 Responsibility for the treasury management function**

- 12.1 Under the constitution the Council's Section 151 officer who is the Chief Finance Officer (currently the Executive Director (Finance and Resources)), must take all steps that are considered appropriate for the administration of the financial affairs of the Council. This includes responsibility for the treasury management function.
- 12.2 The table in Annex 1 shows the treasury management activities and the sub-delegated responsibilities from the Chief Finance Officer to others.
- 12.3 Officers are required to explicitly follow policies and procedures.
- 12.4 The training needs of staff and members with treasury management responsibilities are assessed on a regular basis and training is arranged as necessary.

## **13 Risks**

- 13.1 The overriding principle is that it is more important to balance risks than to maximise returns.

### **Credit and Counterparty risk**

- 13.2 This is the risk that the organisation with which we have invested money becomes insolvent and cannot pay us back our investment. A prime objective of treasury management activities is the security of the principal sums invested and this is placed ahead of the investment return. Accordingly, the Council will ensure that robust due diligence procedures cover all external investment.
- 13.3 Treasury Management investment activities are limited to the instruments, methods and techniques referred to in the Annual Treasury Management Investment Strategy. The use of limits and a combined matrix of investment criteria using credit ratings reflect a prudent attitude towards organisations with whom funds may be deposited. Investment activities will be limited to those who meet the criteria in this matrix when the investment is placed, with the exception of the UK part-nationalised bank and the Council's bank, and then limited by other relevant market information.

- 13.4 The policy in respect of those organisations from which the council may borrow, or with whom it may enter into other financing arrangements is set out in this Treasury Management Policy Statement and in the Annual Treasury Management Investment Strategy.

#### **Liquidity risk**

- 13.5 This is the risk that there will be insufficient cash available to make payments as they fall due. The Chief Finance Officer will ensure that cash resources are adequate, though not excessive, and that borrowing arrangements are available at all times to enable the Council to achieve its business objectives.

#### **Interest Rate risk**

- 13.6 Interest rates will be reviewed as part of the ongoing monitoring arrangements to ensure that, as far as possible, investments are made so as to maintain the return to the Council, whilst retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates.
- 13.7 Regard will be given to the limits imposed by the treasury management policy, particularly the importance of maintaining the security of the monies invested.

#### **Partnership risk**

- 13.8 The Council has entered into a Joint Venture with Porters Place Southend-on-Sea LLP and any funding will be mirrored by that of Swan Housing. The partnership risks are mitigated by the agreements drawn up as part of the signing of the contract. There are currently no major partnerships involving private borrowing. Some of the Council's costs are met by 'match funding' where other organisations match the funding that the Council contributes. Where this is the case there may be liquidity risk (see 13.5) if the other organisations do not make their contributions when agreed. Our exposure to this risk will be monitored via the revenue and capital budget monitoring processes.

#### **Market risk**

- 13.9 Our long term borrowing is mainly through fixed rate maturity loans, whilst our investments are at both fixed and variable rates. To mitigate the risk as far as possible the Council seeks to find the appropriate balance of investments between short and long term and between variable and fixed rate.

#### **Refinancing risk**

- 13.10 Our borrowing arrangements are negotiated, structured and documented, and the maturity profile of these monies are managed, with a view to obtaining offer terms for renewal or refinancing, if

required, which are competitive and as favourable as can reasonably be achieved in the light of market conditions prevailing at the time.

### **Currency risk**

13.11 The Council does not have any foreign currency risk as all investments are in pounds sterling.

### **Inflation risk**

13.12 The Council will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.



Treasury Management Activity	Delegated to:	In their absence, delegated to:
Production of a Treasury Policy each year for approval by the Council prior to the start of the financial year	Group Manager (Financial Planning & Control)	Finance Manager – Capital/ Treasury Management
Staffing and organisation of the Treasury Management function	Group Manager (Financial Planning & Control)	Chief Finance Officer
Ensuring that all staff engaged in Treasury Management receive appropriate training	Group Manager (Financial Planning & Control)	Finance Manager – Capital/ Treasury Management
Ensuring that all members with Treasury Management responsibilities receive appropriate training	Chief Finance Officer	Group Manager (Financial Planning & Control)
Advising the Council’s Monitoring Officer when necessary	Chief Finance Officer	Deputy Section 151 Officer
Decisions on long term borrowing	Chief Finance Officer	Deputy Section 151 Officer
Decisions on the restructuring of the Council’s debt	Chief Finance Officer	Deputy Section 151 Officer
Taking out new loans/repayment of loans with the PWLB	Group Manager (Financial Planning & Control)	Chief Finance Officer/ Deputy Section 151 Officer
Maintaining adequate and effective cash flow forecasting records to support the decision to lend or borrow	Designated Accounting Technician/Finance Manager	Any other designated Accounting Technician/Finance Manager

<b>Treasury Management Activity</b>	<b>Delegated to:</b>	<b>In their absence, delegated to:</b>
Proposals on placing overnight monies with the Council's bank or in short/long term investments	Finance Manager – Capital/ Treasury Management	Designated Accounting Technician/ Finance Manager
Approval of short/long term investments	Chief Finance Officer	Deputy Section 151 Officer/Group Manager (Financial Planning & Control)
Placing money in investments once approval has been obtained	Finance Manager – Capital/ Treasury Management/ other designated Finance Business Partner/ Senior Finance Business Partner	Group Manager (Financial Planning & Control)
Contact for correspondence with external fund managers	Finance Manager – Capital/ Treasury Management	Other designated Accounting Technician/Finance Business Partner
Decisions on placing with or recalling monies from external fund managers	Chief Finance Officer	Deputy Section 151 Officer
Entering into lease agreements	Chief Finance Officer	Deputy Section 151 Officer
Key contact with the Council's treasury management advisers	Group Manager (Financial Planning & Control)	Finance Manager – Capital/ Treasury Management
Monitoring of actual against budget for debt charges, interest earnings and debt management expenses	Designated Accounting Technician/ Finance Manager	Any other designated Accounting Technician/Finance Manager
Monitoring of performance; average interest rates earned and paid etc.	Designated Accounting Technician/Finance Manager	Any other designated Accounting Technician/Finance Manager
Monthly report to Section 151 officer detailing performance and any non-compliance with the Treasury Management Policy	Finance Manager – Capital/ Treasury Management	Designated Accounting Technician/Finance Manager

**SOUTHEND-ON-SEA BOROUGH COUNCIL**  
**TREASURY MANAGEMENT STRATEGY 2021/22**

**1. Introduction**

- 1.1 The Treasury Management Strategy is written in compliance with the CIPFA Treasury Management Code of Practice requirement to review and report policy and strategy before the start of the year. This has been revised following publication of the revised Code of Practice.
- 1.2 The Treasury Management Strategy sets out how the financing costs may be achieved. It needs to be regularly monitored and modified in the light of changing external and internal circumstances.
- 1.3 The objective of the strategy is to optimise the income generated by surplus cash and minimise borrowing costs, consistent with a low level of risk, maintaining capital sums and maintaining liquidity.

**2. The Council's Budget**

- 2.1 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.
- 2.2 The Council can be both a lender and borrower at the same time as it seeks to invest short-term surpluses and fund longer-term capital investment. The timing of the taking of borrowing is important to secure the most advantageous interest rates.
- 2.3 The net budget for financing costs and interest earned on balances is £17.5m in 2021/22.

**3. The Council's Cash Surplus and Cash Flow**

- 3.1 It is projected that surplus cash balances will average £113m (of which £47m is the estimated sum of medium and long term funds managed by external fund managers) during 2021/22 based on information currently available and historical spending patterns.

#### **4. Interest Earnings (in-house investments)**

- 4.1 At the date of this report, the Bank of England base rate was 0.10%. Based on economic forecasts it is very difficult to predict the timing of any change in interest rates, however it has been assumed that during 2021/22 the bank base rate will stay at its historically low level of 0.1% throughout the year. The average interest earned by the Council on its in-house lending is likely to be 0.16% but this does depend on market conditions.
- 4.2 Sensitivity analysis shows that a difference of 0.5% in interest rates would make a difference of £330k in external interest earned and a difference of £1m in average balances would make a difference of £2k in interest earned in a full year. This risk is reflected in the annual review of the robustness of estimates for the Council Budget undertaken by the Chief Finance Officer.

#### **5. Long Term Borrowing**

- 5.1 There is no Central Government funding to support borrowing by the Council to fund capital projects. Under the Prudential Code the cost of any additional borrowing has to be financed by the Council.
- 5.2 The funding available to support capital investment is based on an assumption that the Council will not undertake any borrowing in 2021/22.
- 5.3 The Capital Financing Requirement (CFR) is the council's theoretical need to borrow but the Section 151 Officer can manage the council's actual borrowing position by either:
- 1 - borrowing to the CFR;
  - 2 - choosing to use temporary cash flow funds instead of borrowing (internal borrowing) or;
  - 3 - borrowing for future increases in the CFR (borrowing in advance of need).

The Council is likely to begin 2021/22 in the second of the above scenarios. However, as the 2021/22 financial year progresses a combination of scenarios 1, 2 and 3 will be considered, as appropriate.

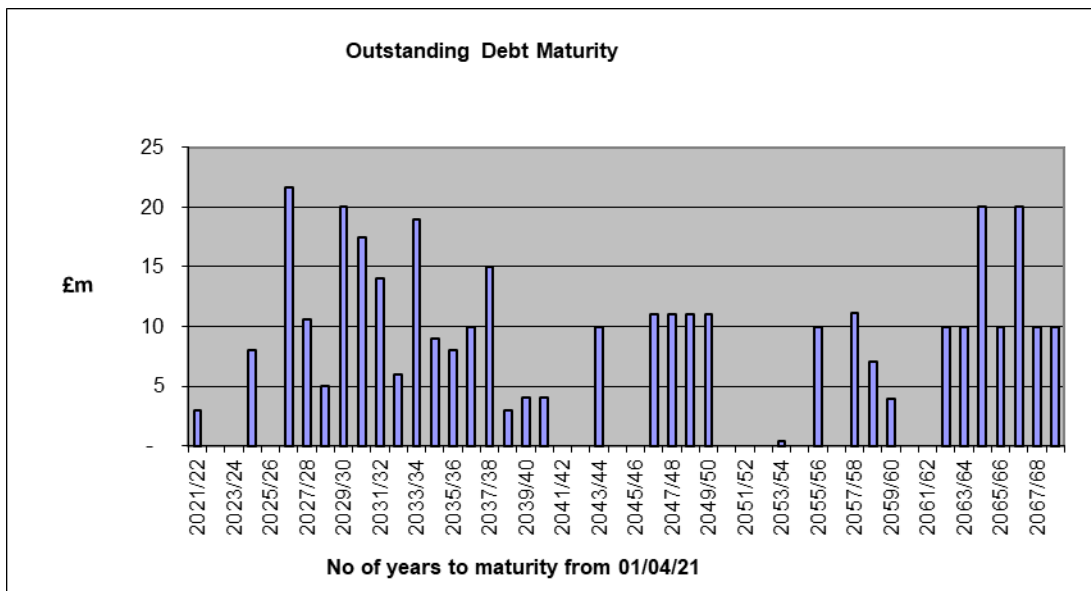
- 5.4 This authority will only borrow in advance of need where there is a clear justification for doing so and will only do so for the current capital investment programme or to finance future debt maturities.
- 5.5 So far in 2020/21 no new PWLB loans have been taken out.
- 5.6 The Council's current outstanding PWLB loans for both General Fund and Housing Revenue Account, which will need to be repaid, are set out on the next page:

<b>Southend-on-Sea Borough Council</b>		<b>Main Schemes (£m)</b>	<b>Invest to Save Schemes (£m)</b>	<b>Total (£m)</b>
Estimated opening position as at 31 March 2021	GF	235	0	235
	HRA	75	0	75
	<b>Total</b>	<b>310</b>		
Estimated new loans in 2021/22	GF	0	0	0
	HRA	0	0	0
	<b>Total</b>	<b>0</b>		
Repayments in 2021/22	GF	(2)	0	(2)
	HRA	(1)	0	(1)
	<b>Total</b>	<b>(3.0)</b>		
Estimated closing position as at 31 March 2022	GF	233	0	233
	HRA	74	0	74
	<b>Total</b>	<b>307</b>		

- 5.7 Outstanding debt relating to services transferred from Essex County Council (ECC) on 1 April 1998, remains under the management of ECC and is set out below. Southend Borough Council reimburses the debt costs incurred by the County.

<b>ECC transferred debt</b>	<b>Amount (£m)</b>
Opening position as at 31 March 2021	10.2
New loans in 2021/22	0
Repayments in 2021/22	(0.5)
Closing position as at 31 March 2022	9.7

- 5.8 The graph on the next page shows the repayment profile of the Council's PWLB borrowings if all new loans are included to reflect the funding of the proposed capital investment programme and the refinancing of debt.



It shows the gaps in the repayment profile and that there is no one year where the loan maturities are excessive.

The next maturity date of any PWLB debt redemption is March 2022 and is for a sum of £3m (General Fund: £2.2m, Housing Revenue Account (HRA): £0.8m).

- 5.9 The potential for the early redemption of high interest loans is reviewed periodically, however the interest savings from the repayment of these loans is usually offset by the premiums that must be paid on their redemption and it has not yet been advantageous for the Council to discharge these loans prematurely. This followed advice from our treasury management advisers which demonstrated the excessive cost to the Council of any debt restructuring. Further advice from our treasury management advisers will be sought at the appropriate time about the potential for restructuring of debt and the timing of such a restructure.
- 5.10 Long term borrowing will normally be taken from the Public Works Loan Board (PWLB) since this is usually the most economic source available to the Council. If other sources are thought to be more advantageous and are permitted under the relevant legislation they will be considered.
- 5.11 As at 28 January 2021 rates of borrowing (from the PWLB) were between 1.59% and 1.65% for loans between 20 and 30 years (these rates include the certainty rate discount of 0.2%). During 2021/22 the investment and borrowing interest rates will be kept under review and the further use of capital balances will be considered in lieu of new borrowing where this is advantageous.
- 5.12 Where it is considered appropriate to take out new borrowing, regard will be given to the existing repayment profile (see 5.8 above) and the need for a spread of maturity dates to ensure that a significant value of loans do not mature at the same time. Loans are taken out for a range of periods in order that the Council continues to balance its debt profile

over the longer term and so is not unduly exposed to the prevailing interest rates at the time of the possible debt replacement.

## **6. Monitoring and Review Arrangements**

6.1 During 2021/22, within 7 working days of each month end, the Section 151 Officer will receive a report detailing performance and any non-compliance with the treasury management policy. He will either approve the report or raise the necessary queries to satisfy himself in relation to:

- (i) all transactions being properly authorised
- (ii) all transactions being with approved counterparties
- (iii) all transactions being in accordance with the Council's approved policy
- (iv) monitoring of security and liquidity (i.e. spread of investments by long term credit rating, financial sector, country, maturity profile)
- (v) in-house investment performance against 7 day LIBID
- (vi) investment performance for external fund managers for the relevant period

6.2 In addition to the monthly reports:

- (i) monitoring reports will be included in the regular Performance Monitoring report
- (ii) any changes affecting the treasury management strategy will be reported to Audit Committee for scrutiny and Cabinet for recommending to Council for approval.

6.3 Benchmarking that considers security and liquidity will be achieved by appropriate comparisons with relevant statistical data.

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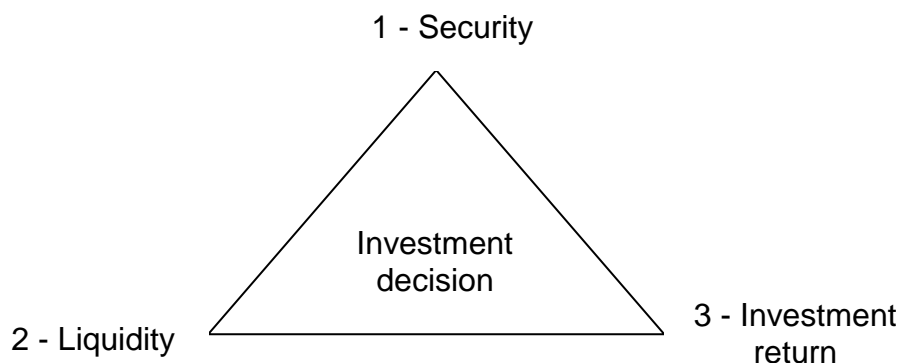


**SOUTHEND-ON-SEA BOROUGH COUNCIL****ANNUAL TREASURY MANAGEMENT INVESTMENT STRATEGY 2021/22****1 Scope of this strategy**

- 1.1 This investment strategy covers Treasury Management investments only. (Capital investments including service and commercial investments and loans are covered in the Capital Investment Policy which is Annex 1 to the Capital Investment Strategy.)

**2 Treasury Management Investment Objectives**

- 2.1 To secure the principal sums invested
- 2.2 To maintain liquidity (i.e. adequate cash resources)
- 2.3 To optimise the income generated by surplus cash in a way that is consistent with a prudent level of risk
- 2.4 Security and liquidity are placed ahead of the investment return. This is shown in the diagram below:



- 2.5 Subject to the above objectives being satisfactorily met, consideration will be given to environmental, social and governance (ESG) factors for the funds and financial institutions being invested in. This is still an area that is relatively new but is becoming more main-stream with more funds and financial institutions reporting on their ESG policies. It should be noted that high relevance to ESG-related considerations does not necessarily correlate to high credit quality.

**3 Policy on use of external fund managers**

- 3.1 The Council currently has monies placed with five external fund managers to use their knowledge and experience to invest on our behalf the medium

and long term funds that are, under normal circumstances, not required for day to day cash flow purposes. These funds are summarised below:

Type of fund	Fund manager	Estimated average balance in 2021/22 (£m)
Property Fund	Lothbury Investment Management Limited	12.9
Property Fund	Patrizia Property Investment Managers LLP	14.0
Short Dated Bond Fund	AXA Investment Managers UK Limited	7.6
Short Dated Bond Fund	Royal London Asset Management	7.7
Enhanced Cash Fund	Payden & Rygel Global Limited	5.1
<b>Total</b>		<b>47.3</b>

- 3.2 Withdrawals may be made during 2021/22 so that a proportion of the council's debt can be repaid or the monies invested as part of the in-house managed funds. Conversely, monies may be placed with the existing and/or a new fund manager during 2021/22 to take full advantage of the knowledge and experience of fund managers in making investment decisions. As to whether monies are deposited or withdrawn, the reason and timing of the decision will have regard to the council's cash flow, relevant interest rates and advice from our treasury management advisers.
- 3.3 In consultation with our treasury management advisers and if appropriate the Section 151 officer will appoint one or more new fund managers in 2021/22 to enable investment of monies.
- 3.4 During 2021/22, if appropriate, the Section 151 officer will approve the placing of monies in Property Funds and will approve the direct investment in property. Any resulting updates to the capital investment programme would be submitted to Cabinet for approval.
- 3.5 During 2021/22, if appropriate, the Section 151 officer will approve the placing of monies in Short Dated Bond Funds or Enhanced Cash Funds.

#### **4 Policy on investment of in-house managed funds**

- 4.1 The remaining funds will be managed in-house with the investment period and amounts being determined by the daily cash flow requirements of the Council. Cash flow forecasts will be produced in order to inform in-house investment decisions.
- 4.2 This authority has accepted the risk of placing funds with financial institutions, rather than solely with the UK government Debt Management Office. However, the risk is minimised by this Annual Treasury

Management Investment Strategy, which restricts the types of investment, the counterparties used and the limits for these counterparties.

- 4.3 Government guidance recommends that specified and non-specified investments are identified in the Investment Strategies of local authorities. Specified investments have relatively high security and liquidity, with high credit quality and a maturity of no more than a year. Non-specified investments are investments that do not fall into this category. The types of investment in this strategy and whether they are specified or non-specified are set out in Annex A.
- 4.4 During 2021/22 the Section 151 officer will, if appropriate, approve the placing of monies in deposit accounts, fixed term deposits or certificates of sterling cash deposits up to five years, subject to the proposed banks and building societies satisfying the investment criteria in a combined matrix of credit ratings, and having regard to other market information available at the time.
- 4.5 During 2021/22 the Section 151 officer will, if appropriate, approve the placing of monies in Money Market Funds, term repurchase arrangements, Treasury bills, with other Local Authorities or the Debt Management Office. The regulations regarding Money Market Funds have changed and all references to Money Market Funds now relate to Low Volatility Net Asset Value (NAV) funds, Constant NAV funds and Variable NAV funds.
- 4.6 During 2021/22 the Section 151 officer will, if appropriate, approve the investment of monies into Joint Ventures or Development Companies (either partly or wholly owned by the Council) focused on regeneration and other infrastructure related projects, subject to the necessary due diligence being satisfactorily completed and in consultation with our treasury management advisers. The provision of loan facilities to such organisations would count as capital investment and any resulting updates to the capital investment programme would be submitted to Cabinet for approval.
- 4.7 Where credit ratings are used to assess credit risk, they will be checked when an investment is taken out to ensure that investment satisfies the criteria in this Treasury Management Investment Strategy. Our treasury management advisers provide alerts when credit ratings are changed by the three main rating agencies. If the credit ratings of an institution or investment no longer satisfy the criteria the monies will be withdrawn as soon as possible. This would depend on the maturity date or notice period.
- 4.8 During 2021/22 the Section 151 officer will, if appropriate, approve the short term borrowing of monies from other Local Authorities or the PWLB in order to manage the cash flow and maintain liquidity.
- 4.9 Fixed term deposits may be made directly with the banks and building societies or through the use of a broker. Monies will be placed with other Local Authorities through the use of a broker. Investments in Certificates of Deposit and Treasury bills will be made through the use of a custodian account. The Council acknowledges that it retains responsibility for all investment decisions made whether they are made on its behalf or not.

- 4.10 When investing in-house managed funds, the following are considered; the type of investment, the individual counterparty, the amount that can be invested, the method of placement of monies. These are summarised in Annex A.
- 4.11 The services of our treasury management adviser, Link Asset Services will be used throughout 2021/22 to provide advice as well as credit rating and other market information regarding counterparties and types of investment. However, the Council recognises that responsibility for investment decisions remains with the authority at all times.

## **5 Investment Criteria for Funds Managed In-house**

- 5.1 All financial institutions considered for investment will be assessed for credit worthiness against a combined matrix of pre determined criteria using available credit ratings. Credit ratings are assessments by professional organisations of an entity's ability to punctually service and repay debt obligations. Credit ratings are used by investors as indications of the likelihood of getting their money back in accordance with the terms on which they invested.
- 5.2 The credit rating components used in the matrices comprise:
- Short term ratings;
  - Long term ratings.

Ratings provided by all three credit rating agencies will be consulted and a counterparty will be considered for investment if it meets the ratings criteria of at least one of the agencies.

- 5.3 The short term rating covers obligations which have an original maturity not exceeding one year. The short-term rating places greater emphasis on the liquidity necessary to meet financial commitments. All three credit rating agencies provide short term ratings. The ratings are expressed from F1+ (highest credit rating) through to D (highest default risk) for Fitch, from A-1+ (highest credit rating) through to D (highest default risk) for Standard and Poors, and from P-1 (highest credit rating) through to NP (highest default risk) for Moody's.
- 5.4 The long term ratings generally cover periods in excess of one year. Due to the larger time horizon over which the rating is determined, the emphasis shifts to the assessment of the ongoing stability of the institution's prospective financial condition. All three credit rating agencies provide long term ratings. The ratings are expressed from AAA (highest credit rating) through to D (highest default risk) for Fitch and Standard and Poors and from AAA (highest credit rating) through to C (highest default risk) for Moody's.
- 5.5 In order to balance the objective of securing the maximum level of return on investments with a prudent level of risk a matrix of criteria will be adopted as a starting point to determine the acceptability of a potential investment.

5.6 These matrices are set out below:

If the short and long term ratings meet the following criteria from a minimum of one of the ratings agencies:

**For Lending of up to 6 months to Banks and Building societies:**

	Fitch	S&P	Moodys
Short term rating minimum	F1	A-1	P-1
Long term rating minimum	A-	A-	A3

**For Lending of up to 12 months to Banks and Building societies:**

	Fitch	S&P	Moodys
Short term rating minimum	F1	A-1	P-1
Long term rating minimum	A	A	A2

**For Lending of up to 3 years to Banks and Building societies:**

	Fitch	S&P	Moodys
Short term rating minimum	F1	A-1	P-1
Long term rating minimum	AA-	AA-	Aa3

**For Lending of up to 5 years to Banks and Building societies:**

	Fitch	S&P	Moodys
Short term rating minimum	F1+	A-1+	P-1
Long term rating minimum	AA+	AA+	Aa1

5.7 An example of the use of this credit ratings matrix as at 28 January 2021 is shown below (the long and short term ratings are Fitch, then Standard and Poors, then Moodys).

<b>Financial Institution</b>	<b>Long Term Rating</b>	<b>Short Term Rating</b>	<b>Maximum length of investment</b>
The Bank of New York Mellon	AA AA- Aa1	F1+ A-1+ P-1	5 years
Royal Bank of Canada	AA AA- Aa2	F1+ A-1+ P-1	3 years
Standard Chartered Bank	A+ A A1	F1 A-1 P-1	12 months

5.8 The Council's treasury management advisers, Link Asset Services, will continually review the appropriateness of our investment criteria and

continue to develop a best practise counterparty list. The latest advice has now been incorporated in this Strategy, which is set out below.

- 5.9 The individual ratings for some banks and building societies are low which means that they do not meet the criteria in our credit ratings matrix. However, this does not take account of part nationalised banks (currently The Royal Bank of Scotland Plc and National Westminster Bank Plc). These banks can be included in the counterparty list if they continue to be part nationalised or they meet the criteria of our credit ratings matrix in paragraph 5.6. An example of the institutions meeting the criteria for the UK will therefore include:
- Bank of Scotland Plc (RFB)
  - Lloyds Bank Plc (RFB)
  - The Royal Bank of Scotland Plc (RFB)
  - National Westminster Bank Plc (RFB)
  - Barclays Bank Plc (NRFB)
  - HSBC Bank Plc (NRFB)
  - Nationwide Building Society
  - Santander UK Plc (RFB)
- 5.10 The largest UK banks were required, by UK law, to separate core retail banking services from their investment and international banking activities by 1<sup>st</sup> January 2019. This is known as “ring-fencing” and is a regulatory initiative created in response to the global financial crisis to improve the resilience and resolvability of banks. The initials RFB and NRFB in paragraph 5.9 refer to whether the bank is the Ring-fenced Bank or the Non Ring-fenced Bank. Each part of the bank has an individual credit rating and for any potential investment the counterparty would be considered against the criteria in this strategy in the normal way.
- 5.11 Counterparties that are manually added back to the list will have a maximum length of investment of two years. Amendments to the counterparty list can happen at any point in time.
- 5.12 In addition, for practical purposes the Council’s bank will form part of the counterparty list, whether or not it meets the criteria in our credit ratings matrix.
- 5.13 Regard will be given to forward looking rating warnings from the three main credit rating agencies (i.e. rating watches and outlooks) provided by our treasury management advisers.
- 5.14 The current advice from DCLG and CIPFA is not to rely solely on the credit rating agencies and the Council recognises that ratings should not be the sole determinant of the quality of an institution. So regard will also be given to market information such as the financial press, and officers will engage with their advisers to maintain a monitor on market pricing (such as share and ‘credit default swap’ prices) and other such information pertaining to the banking sector. Where available credit information, other than credit ratings has been used, this will be documented when the investment decision is made.

- 5.15 Consideration will also be given to Link Asset Services' rating methodology approach, where counterparties are put into bands of risk. These reflect the differences in credit quality of suggested duration and counterparties are assigned a risk number/colour.
- 5.16 The achievement of an appropriate balance between short-term and longer-term deposits will be driven by the credit quality of counterparties, the council's cash flow requirements, and the need to achieve optimum performance from our investments consistent with effective management of risk.

## 6 Investment Limits for Funds Managed In-house

- 6.1 The ratings agencies produce a credit rating for each country, called a sovereign rating. The ratings are expressed from AAA (highest) to D (lowest). The following limits have been set for an investment with a bank or building society whose parent company is registered in a country with a sovereign rating from Fitch and Standard and Poors (S&P) of AAA or AA+ or a sovereign rating from Moody's of Aaa or Aa1. Sovereign ratings provided by all three credit rating agencies will be consulted and the lowest rating will be taken.

<b>Country Sovereign Rating</b>	<b>Limit * All except UK (£ million)</b>
AAA/Aaa	20
AA+/Aa1	5
Lower than AA+/Aa1	0

\* These limits relate to the principal sums invested and do not include any accrued interest on that principal.

- 6.2 These limits will also apply to supranationals (international organisations whereby member states transcend national boundaries or interests to share in the decision-making and vote on issues pertaining to the wider grouping). An example of a supranational is the European Investment Bank.
- 6.3 Fitch has set the UK's sovereign rating at AA-, S&P have set it at AA and Moodys have set it at Aa3. Therefore, to ensure the continued use of UK institutions that fall within our investment criteria, the country sovereign rating limits exclude the UK. The limit will therefore remain at £20 million for all counterparties where the parent company is registered in the UK.
- 6.4 Where the parent company of a bank is not registered in a country with a sovereign rating from Fitch and S&P of AAA or AA+ or a sovereign rating from Moody's of Aaa or Aa1 but that bank's UK operations are ring-fenced to the UK (as is the case for Santander UK), if these banks are included in the counterparty list they will have a counterparty limit of £20 million.
- 6.5 £20 million is 18% of the authority's estimated amount of investments for 2021/22 of £113m. £5m is 4% of the total estimated investments. These are upper limits and would only be fully used in exceptional circumstances

as, under normal circumstances, diversification is sought to reduce counterparty risk. These limits are deemed appropriate by our Treasury Management advisers.

6.6 To minimise counterparty risk, the limit on any investment with a bank or building society (with the exception of the Council's bank which is currently Barclays Bank) will be determined in the following way:

- consider the country in which the parent company of the bank or building society is registered
- use the sovereign rating of that country to apply the limits above
- consider the cumulative balance of funds already held in various investment products with that bank or building society
- consider the cumulative balance of funds already held in various investment products for any related group of financial institutions
- determine the remaining amount that can be placed with that bank or building society

For example, the limit on an investment with Lloyds Bank Plc would be determined in the following way:

<b>Steps to determine limit:</b> <i>(for illustrative purposes only and not an indication of actual investments)</i>	<b>Remaining limit available at each stage:</b>
Lloyds Bank Plc is part of the Lloyds Banking Group which is registered in the UK	£20 million
£4 million already placed in an instant access account with Lloyds Bank Plc	£16 million
£5 million already placed in a fixed term deposit with Lloyds Bank Plc	£11 million
£6 million already placed in a notice account with Bank of Scotland Plc (part of the Lloyds Banking Group)	£5 million
Therefore the maximum investment would be £5 million	

6.7 The Council's bank is the exception to these investment limits however, and under normal circumstances our intention would be to comply with a counterparty limit of £30 million, to enable the efficient and effective management of the Council's cash flow.

6.8 The limit on deposits in Money Market Funds will be £20 million with any one AAAM/AAAF rated (or equivalent) liquidity fund. These work in the same way as a deposit account but the money in the overall fund is invested in a number of counterparties, therefore spreading the counterparty risk.

6.9 There are products being developed that are similar to, but not the same as Money Market Funds, such as 'term repurchase arrangements'. The risk associated with these funds is somewhere between a fixed term



deposit and a Money Market Fund. The Section 151 officer will approve the placing of monies in these types of fund up to a maximum of £20 million per fund, if deemed appropriate and in consultation with our treasury management advisers.

- 6.10 Given the prevailing financial market conditions, financial institutions will inevitably devise various investment products to offer enhanced returns. The Council's Section 151 Officer will consider these in consultation with our treasury management advisers and will approve the placing of monies in such investment products with appropriate limits, only after the options and their associated risks have been fully analysed by the treasury management team and our treasury management advisers.
- 6.11 To maximise flexibility, there is no limit on deposits with the UK Government (e.g. Debt Management Office, HM Treasury bills). These deposits will have a maximum duration of 6 months.
- 6.12 The limit on deposits with other Local Authorities will be £40 million which is 35% of the authority's estimated amount of investments for 2021/22 of £113m. These deposits will have a maximum duration of 5 years. This is an upper limit and would only be fully used in exceptional circumstances. The limit is higher than the limit for other counterparties such as banks and other financial institutions due to the lower counterparty risk associated with Local Authorities. These limits are deemed appropriate by our Treasury Management advisers.

## **7 Fund Managers investment criteria**

- 7.1 Investments undertaken by external fund managers on behalf of the Council can only be placed in certain types of investment as permitted under the Local Government Act. The types of investment, counterparties and limits used by each fund manager are set out in their Investment Management Agreement.
- 7.2 The Council's Section 151 Officer is authorised to amend these Investment Management Agreements as appropriate to reflect the needs of the Council, after fully considering the options and their associated risk and in consultation with the Council's treasury management advisers. Subject to the relevant due diligence being undertaken, the Investment Management Agreements could include investment in asset classes such as gilts, corporate bonds, property or equities, or investment in a multi asset fund.
- 7.3 The limit on deposits in Property Funds will be £25 million with any one fund that passes the selection process.
- 7.4 The limit on deposits in Short Dated Bond Funds will be £20 million with any one fund that passes the selection process.
- 7.5 The limit on deposits in Enhanced Cash Funds will be £20 million with any one fund that passes the selection process.

- 7.6 The performance and associated risk will be assessed on an on-going basis through half yearly strategy meetings with each fund manager and the Council's treasury management advisers. Any appropriate action would be identified and taken in consultation with those advisers.

## **8 Markets in Financial Instruments Directive (MiFID II)**

- 8.1 MiFID is the framework of European Union legislation for investment intermediaries that provide services to clients around financial instruments such as shares, bonds, units in collective investment schemes and derivatives and the organised trading in such financial instruments.

- 8.2 This was revised by MiFID II to improve the functioning of financial markets in light of the financial crisis and to strengthen investor protection. It recognises that investors have different levels of knowledge, skill and expertise. The application of specific regulatory obligations under MiFID depends on a client's 'regulatory' category.

- 8.3 Local Authorities are categorised as retail clients by default but may 'opt up' to become elective professional clients if certain criteria are satisfied. This Council satisfies the criteria to become an elective professional client and has 'opted up' where appropriate to ensure that it can continue to be eligible to invest in the current range of counterparties and investment products, as some are not available to retail clients.

- 8.4 MiFID II does not cover simple term deposits as it is only focussed on regulated products. This includes our investments in Money Market Funds, enhanced cash funds, short dated bond funds and property funds. The Council is classed as an elective professional client for all its relevant counterparties except for certain Money Market Funds where the fund has confirmed there is no requirement to 'opt up' as the products can continue to be used as a retail client. The Council's designation under MiFID II will be regularly reviewed to ensure it remains appropriate.

Type of Treasury Management Investment	Individual Counterparty	Limit	Method of placement	Specified/non-specified
Deposit accounts	Bank or building society that meets the criteria of our combined matrix of credit ratings, or one of the part nationalised banks	Per bank or building society, based on country sovereign rating	Directly or through a broker	Specified (if 1 year or less), Non-specified (if more than 1 year)
Fixed term deposits			Directly or through a broker	
Certificates of sterling cash deposits			Custodian account	
Money Market Funds	AAAm/AAAf rated* (or equivalent) liquidity fund	Per fund	Directly or via an on-line site for managing money market funds	Specified
Property Funds	Via selection process	Per fund	Directly or through a broker	Non-specified (more than 1 year)
Short Dated Bond Funds	Via selection process	Per fund	Directly	Non-specified (more than 1 year)
Enhanced Cash Funds	Via selection process	Per fund	Directly	Non-specified (more than 1 year)
Term repurchase arrangements	AAAf/S1 rated <sup>#</sup>	Per fund	Directly	Specified (if 1 year or less), Non-specified (if more than 1 year)
Other Local Authorities	Depends on which Local Authorities want to borrow money at that time	For total invested with other Local Authorities	Through a broker	Specified (if 1 year or less), Non-specified (if more than 1 year)
Debt Management Office	UK Government	For total invested with UK Government	Directly	Specified
Treasury Bills			Custodian account	

\* A fund with a principal stability rating of 'AAAm/AAAf' (or equivalent) has an extremely strong capacity to maintain stability and to limit exposure to losses of the principal sums invested due to credit, market and/or liquidity risks.

<sup>#</sup> A fund with a credit quality rating of 'AAAf' has a portfolio holding that provides extremely strong protection against losses from credit defaults. A fund with a volatility rating of S1 possesses low sensitivity to changing market conditions.

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**SOUTHEND-ON-SEA BOROUGH COUNCIL****CHANGES FROM THE 2020/21 TREASURY MANAGEMENT POLICY**

<b>Appendix</b>	<b>Paragraph</b>	<b>Change</b>	<b>Reason for the change</b>
1	6.3 and 6.4	These paragraphs in section 6 provide an update on the PWLB lending terms following the outcome of the HM Treasury consultation.	To reflect updated circumstances.

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# Southend-on-Sea Borough Council

Agenda  
Item No.

15

Report of Executive Director  
Finance & Resources

To

Cabinet

on

15<sup>th</sup> June 2021

Report prepared by: Richard Campbell  
Council Tax Manager

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## Debt Management - Position to 31<sup>st</sup> March 2021

Policy and Resources Scrutiny Committee  
Cabinet Member: Councillor Gilbert

*A Part 1 Public Agenda Item*

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### 1. Purpose of Report

1.1 The purpose of this report is to apprise Cabinet of the following:

- The position of outstanding debt to the Council, as at 31<sup>st</sup> March 2021;
- Debts that have been written off, or are recommended for write off, in the current financial year as at 31<sup>st</sup> March 2021.

### 2. Recommendation

That Cabinet: -

2.1 Notes the current outstanding debt position as at 31<sup>st</sup> March 2021 and the position of debts written off to 31<sup>st</sup> March 2021 as set out in **Appendices A & B**.

### 3. Background Information

3.1 It was agreed by Cabinet on 19<sup>th</sup> March 2013 that the S151 Officer would submit regular reports to Cabinet on all aspects of the Council's outstanding debt, along with the required write off position. This is the final report for the financial year 2020/21.

- 3.2 Southend-on-Sea Borough Council is made up of several service areas responsible for the collection and administration of outstanding debt. The main areas are Accounts Receivable and Revenues which are linked to the billing and collection of the vast majority of debts that fall due to be paid to the Council for chargeable services, such as social care (see Section 4.5) and statutory levies such as Council tax and Non-Domestic Rates (Business Rates).
- 3.3 There are also other areas of debt that are included in this report, namely recovery of Housing Benefit Overpayments, Parking and Enforcement penalties and library fines. In addition, there are also debts for the Housing Revenue Account for rent arrears and service charges.
- 3.4 The process and legislative framework for the collection and write-off of debt was detailed in the report to Cabinet on 17<sup>th</sup> September 2013. It is worth highlighting that the Council has historically had a high collection rate for all debt types. The collection target rates are agreed annually as part of the Council's service and financial planning process. Any outstanding debts are only considered for write-off when all other courses of recovery action available have been undertaken or explored and the debt is considered irrecoverable.

#### **4. Covid-19 Pandemic**

- 4.1 2020/21 has clearly been an unprecedented year right across the world due to the impact of Covid-19 affecting every aspect of normal everyday life. A report providing a comprehensive review of the Council's response and on-going assessment of the impact locally is provided elsewhere on this agenda.
- 4.2 Public sector debt collection and recovery performance has obviously been adversely affected in every local authority right across the country. Southend-on-Sea suspended all forms of formal recovery action across all income streams as part of a co-ordinated response to support our local area and community. Additional debt management advice has been provided and officers have encouraged discussions with all debtors to explore and agree a range of alternative payment plans when required and wherever possible.
- 4.3 During these incredibly challenging circumstances the Council quite rightly prioritised support and provided additional advice to local residents, tenants and businesses by not issuing any formal recovery documentation or taking enforcement action by agents during the financial year. No court action has commenced either so no additional costs have been placed on residents and businesses during 2020/21.
- 4.3 It is hoped that formal recovery action will commence again in 2021/22 and every effort will be made to collect all outstanding debt that is due. This is important to protect the local taxpayer and ensure that everyone that can pay will pay what it is owed. Along with every local authority in the country the Council has reviewed and increased its provision for bad and doubtful debts across all our main income sources. The situation continues to remain under review, along with our strategic and tactical response to the ever-changing local demands that have been caused by the pandemic.



## 5. Councils Debt Types

### 5.1 Council Tax

£101.6 million of Council Tax was due to be collected in 2020/21, with an in-year collection target of 97.5%. The Council achieved a collection rate of 96.7% during the year. This equates to a decrease of 0.8% in percentage terms and a reduction in monetary terms of around £0.850 million in comparison to the collection target profile. Collection of £98.28 million achieved instead of the targeted £99.13 million. This is clearly due to the suspension of formal recovery action throughout the year in response to the Covid-19 pandemic.

Collection has also continued for the outstanding arrears for that year and for previous years. The table below shows the actual in year collection rate over the past 4 years, and the collection rate of each year's charge to date, including debts that have been written off.

	Council Tax Performance	
	As at 31st March of relevant year	As at 31 <sup>st</sup> March 2021
1st April 2016 - 31st March 2017	97.2%	99.5%
1st April 2017 - 31st March 2018	97.5%	99.4%
1st April 2018 - 31st March 2019	97.5%	99.0%
1st April 2019 - 31st March 2020	97.5%	98.5%

### 5.2 Non-Domestic Rates (Business Rates)

£20.5 million of Non-Domestic Rate was due to be collected in 2020/21, with a collection target of 98.3%. The Council achieved a collection rate of 90.6% during the year. This represents a decrease of 7.7% in percentage terms and a reduction in monetary terms of £1.6 million in comparison to the collection target profile. Actual collection of £18.6 million achieved instead of the targeted £20.2 million. This is largely due to suspension of formal recovery action throughout the year in response to the Covid-19 pandemic.

Collection is also continuing for outstanding arrears for previous financial years. The table below shows the actual in year collection rate over the past 4 years, and the collection rate of each year's charge to date, including debts that have been already written off.

	<b>Non-Domestic Rates Performance</b>	
	<b>As at 31st March of relevant year</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>1st April 2016 - 31st March 2017</b>	<b>97.8%</b>	<b>99.9%</b>
<b>1st April 2017 - 31st March 2018</b>	<b>98.0%</b>	<b>99.8%</b>
<b>1st April 2018 - 31st March 2019</b>	<b>98.6%</b>	<b>99.7%</b>
<b>1st April 2019 - 31st March 2020</b>	<b>98.3%</b>	<b>99.1%</b>

### 5.3 **Housing Benefit Overpayment**

This is any entitlement to a rent allowance or rent rebate that a person has received but is not entitled to. Most commonly this accumulates when there is a change to a person's circumstances, and they fail to notify us in good time. The overpayment will be invoiced unless they are in receipt of Housing Benefit in which case their benefit entitlement is reduced accordingly to enable recovery of the overpayment. The vast majority of Housing Benefit overpayment is due to claimant error.

### 5.4 **Libraries**

Library debt is made up of overdue fines and replacing lost or non-returned books.

### 5.5 **Adult Services**

Adult Services make charges for the following range of services

- Contributions for residential accommodation
- Charges for non-residential services i.e., Home Care, Community Support, Day Services, and transport to services
- Charges to other local authorities
- Charges to the National Health Service

Adult Social Care debt as at 31<sup>st</sup> March 2021 was £5.560 million

It should be noted that of the total amount outstanding -

- £3.14 million is debt deferred against property;
- £0.44 million is under 30 days old.

## 5.6 Parking

The recovery of unpaid Penalty Charge Notices is undertaken by a semi-judicial process under the current Traffic Management Act 2004.

From 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021 a total of 13,394 Penalty Charge Notices (PCNs) have been issued identifying a projected income of £418,970.00. It should be noted that PCNs are issued at a higher rate and lower rate (£70.00 and £50.00 respectively) depending on the seriousness of the parking contravention. PCNs may be paid at a discounted rate of 50% of the charge if paid within 14 days of the date of issue.

This value is continuously being amended as payments are received and it should be recognised that payments made at the 50% discount amount will reduce the projected income level. Historically, 75% of paid PCN's are paid at the discounted payment.

The value of cancelled notices for 2020/21 is £79,933.95 and cases written off where no vehicle owner has been identified totals £1,133.00.

## 5.7 Miscellaneous Income

This includes a range of services that the Council will charge for including such areas as rental income on commercial properties, recharges to other bodies for services we have provided, and recovering overpaid salaries from staff that have left the Organisation.

It is important to note that collection can vary month by month depending on the value of invoices raised as a reasonable period needs to be allowed for payment or arrangements to be made.

## 5.8 Housing

Under the management of South Essex Homes there are arrears of outstanding debt of Rent and Service Charges. The cost of any write-offs for this category of debt is specifically charged to the Housing Revenue Account and not to Council Taxpayers.

## 6. Write-Off Levels

Write off approval levels currently in place are shown in the following tables, which are in accordance with the Financial Procedure rules as set out in the Constitution and the latest corporate debt recovery policy.

**Debt Type: Council Tax/ Accounts Receivable/Adult Services/ Housing and Council Tax Benefit**

Designation	Amount
Assistant Manager	under £5,000
Manager	Up to £10,000
Director	Between £10,000 and £25,000
Cabinet	£25,000 and above

**Debt Type: NNDR (Non-Domestic Rates)**

Designation	Amount
Assistant Manager	under £5,000
Manager	Up to £10,000
Director	Between £10,000 and £25,000
Cabinet	£25,000 and above

**Debt Type: Parking**

Designation	Amount
Notice Processing Officer & Section Leader	under £5,000
Section Leader	Between £5,000 and £10,000
Group Manager	Between £10,000 and £25,000
Cabinet	£25,000 and above

**Debt Type: Housing Rents and Service Charges**

South Essex Homes, as managing agent, submit proposed write-offs to the Council, following which the following approval levels are exercised.

Designation	Amount
Head of Service	Under £25,000
Cabinet	£25,000 and above

**7. Council Debt Position (as at 31/3/2021)**

- 7.1 **Appendices A and B** show the current debt position within each service area, and the amount that has been written off in the current financial year 2020/21.
- 7.2 For Council Tax and Non-Domestic rates there is a net collectable debt at the beginning of the year. Although this can change depending on changes to liability or property being removed or introduced to the lists, it tends to be reasonably consistent. Other service areas may see greater fluctuations as new debts are created during the financial year.

- 7.3 The Council's current year debt position across all services on 31<sup>st</sup> March 2021 was £22.8 million in comparison to the position on 31<sup>st</sup> March 2020 of £14.6 million. This shows an increase of £8.2 million, circa 56.2% for the same period in the last financial year.
- 7.4 This increase is mainly due to Miscellaneous Income outstanding debt increasing by 152.6% from £4.394 million outstanding in March 2020 to £11 million in March 2021. A lot of this can be contributed to invoices totalling £13.915 million being raised in March 2021, an increase from the £4.343 million previously raised in March 2020. Of the £13.915 million raised, £9.182 million remains outstanding on 31<sup>st</sup> March 2021. A lot of this debt is represented by one invoice totalling £5.500 million which has been paid in full during April 2021.
- 7.5 The debt for Adult Services has also increased during the last year with an outstanding sum of £3.9 million on 31<sup>st</sup> March 2021 in comparison to the position on 31<sup>st</sup> March 2020 of £3.535 million. This is also mainly due to the impact of invoices raised in March 2021 which totalled £4.267 million of which £2.944 million remained outstanding on 31<sup>st</sup> March 2021. A comparison with March 2020 showed a total of £2.092 million and all of it remained outstanding on 31<sup>st</sup> March 2020.
- 7.6 There has also been a large increase in the level of debt outstanding for Business Rates, with an increase of 149.7% from £0.770 million in March 2020 to £1.923 million in March 2021. This is as a direct result of the suspension of recovery action during the financial year to support businesses through the Covid-19 pandemic.
- 7.7 A final area which largely contributes to the increase in the debt position is within Council Tax which has seen an increase of 33% from £2.530 million in March 2020 to £3.370 million in March 2021. As with Business Rates this is largely due to the suspension of recovery action during the financial year to support residents through the Covid-19 pandemic.

## **8. Other Options**

- 8.1 This is a report notifying members of the current position of the Council's debt and related write offs, and therefore there are no other options available.

## **9. Reasons for Recommendations**

- 9.1 All reasonable steps to recover all outstanding debt have been explored and undertaken before any consideration for write-off is recommended.

If the Council wishes to pursue debts for bankruptcy proceeding, it will follow the agreed and published recovery policy that outlines the approach to this.

## **10. Corporate Implications**

### **10.1 Contribution to the Southend 2050 Road Map**

Efficient, effective and appropriate write-off of bad and irrecoverable debts is good financial practice. The Council has a good record of debt collection and recovery performance which contributes to the financial sustainability of the Organisation and supports the delivery of the Southend 2050 ambition.

### **10.2 Financial Implications**

Debts that are written off have been provided for within the Councils bad debt provision and as such there are no specific financial implications. Particularly given the unprecedented events in 2020/21 it is possible that unforeseen and unplanned additional write-offs could occur. It is unlikely but it is possible that the value of future debts written off in any year could exceed the Council's specific level of bad debt provision.

Where there is a possibility that this could happen, this report will act as an early warning system and will enable additional control measures to be agreed and undertaken to either bring the situation back under control, or to make appropriate adjustments to the bad debt provision.

Relevant service areas are aware that they must bear the cost of any debts that are written off within their revenue budget.

### **10.3 Legal Implications**

If there are debts to be written off that exceed the level at which officers have delegated powers to deal with the matter, authorisation is required from Cabinet.

### **10.4 People Implications**

The people implications have been considered and there are none relevant to this report.

### **10.5 Property Implications**

The property implications have been considered and there are none relevant to this report.

### **10.6 Consultation**

Consultation is not required for write-off of debt.

### **10.7 Equalities and Diversity Implications**

Debt Collection is managed through a Corporate Debt Management Policy and is based on an approach of "Can't Pay Won't Pay". Each write-off is considered on an individual basis through a standard consistent approach.

## 10.8 Risk Assessment

There is a financial implication to the bad debt provision if write-offs are not dealt with appropriately and expediently within the current financial year.

## 10.9 Value for Money

It is a matter of good financial practice and good debt management to regularly report on the value of debt outstanding, collected and written off.

## 10.10 Community Safety Implications

There are no Community Safety Implications.

## 10.11 Environmental Impact

There is no environmental impact.

## 10.12 Background Papers

Full details of recovery action against each recommended write-off are held within the services computer systems.

## 11. Appendices

Appendix A Summary of outstanding debt

Appendix B Summary of Write offs

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Summary of Outstanding Debt**Outstanding Debt pre 1<sup>st</sup> April 2020 (arrears)**

<b>Debt pre 1/4/2020</b>	<b>Council Tax (a)</b>	<b>Business Rates (a)</b>	<b>Housing Benefit Overpayments (b)</b>	<b>Adult Services</b>	<b>Miscellaneous Income</b>	<b>HRA (Care Line/Service Charges)</b>	<b>Parking (c)</b>	<b>Libraries (d)</b>	<b>HRA Current Tenants (e)</b>	<b>HRA Former Tenants (e)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net Collectable Debt	6,814	1,435	5,418	5,790	5,333	440	885	n/a	n/a	342
Amount Paid @ 31.03.2021	1,444	64	1,856	3,273	3,746	259	66	566	n/a	127
Number of Accounts	12,626	433	1479	1,249	1,077	103	n/a	n/a	n/a	223
<b>Total Outstanding</b>	<b>5,370</b>	<b>1,371</b>	<b>4,120</b>	<b>2,517</b>	<b>1,587</b>	<b>181</b>	<b>819</b>	<b>n/a</b>	<b>n/a</b>	<b>215</b>

**Current Year Debt (Debt raised in respect of 2020/21)**

<b>Debt post 1/4/2020</b>	<b>Council Tax (a)</b>	<b>Business Rates (a)</b>	<b>Housing Benefit Overpayments (b)</b>	<b>Adult Services</b>	<b>Miscellaneous Income</b>	<b>HRA (Care Line/Service Charges)</b>	<b>Parking (c)</b>	<b>Libraries (d)</b>	<b>HRA Current Tenants (e)</b>	<b>HRA Former Tenants (e)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net Collectable Debt at 31.03.2021	101,658	20,521	1,593	16,620	46,734	1,990	1,168	0	32,583	174
Amount Paid @31.03.2021	98,288	18,598	1,856	12,630	35,706	1,922	490	1	31,859	44
Number of Accounts	8,865	551	790	1,870	1,288	151	n/a	0	1,651	175
<b>Total Outstanding</b>	<b>3,370</b>	<b>1,923</b>	<b>926</b>	<b>3,990</b>	<b>11,028</b>	<b>68</b>	<b>678</b>	<b>0</b>	<b>724</b>	<b>130</b>

<b>Total Debt</b>	<b>Council Tax (a)</b>	<b>Business Rates (a)</b>	<b>Housing Benefit Overpayments (b)</b>	<b>Adult Services</b>	<b>Miscellaneous Income</b>	<b>HRA (Care Line/Service Charges)</b>	<b>Parking (c)</b>	<b>Libraries (d)</b>	<b>HRA Current Tenants (e)</b>	<b>HRA Former Tenants (e)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total Net Collectable Debt at 31.03.2021	108,472	21,956	7,011	22,410	52,067	2,430	2,053	0	32,583	516
Total Amount Paid @31.03.2021	99,732	18,662	3,712	15,903	39,452	2,181	556	567	31,859	171
Total Number of Accounts	21,491	984	2,269	3,119	2,365	254	n/a	0	1,651	398
<b>Total Debt Outstanding</b>	<b>8,740</b>	<b>3,294</b>	<b>5,046</b>	<b>6,507</b>	<b>12,615</b>	<b>249</b>	<b>1,497</b>	<b>0</b>	<b>724</b>	<b>345</b>

## **NOTES**

- (a) Council Tax and Business Rates includes adjustments for write offs, credits and outstanding court costs.
- (b) HB Overpayment is not attributable to a financial year in the same way that Council Tax or NDR are i.e. a yearly debit is not raised. It is also not feasible to state when a payment is made which age of debt it has been paid against. For these reasons the outstanding amounts in the report reflect the actual outstanding debt at the date requested, it does not reflect the outstanding debt against current year and previous year debts.
- (c) Parking total outstanding is net of PCNs cancelled and written off.
- (d) The figure of £564k relates to total payments received since January 2005 until 31/03/2020.
- (e) HRA tenancy debts (residential rent accounts) are rolling amounts, with no breaks in years or rollovers. Any cash received is applied to the oldest rent week outstanding. The figures shown are total arrears outstanding, and therefore include arrears still outstanding from prior years.

**Summary of Write Off's**

Debts written off in 2020/21

Period 1 April 2020 – 31 March 2021 relating to any year

Write Offs	Council Tax £	Business Rates £	Housing Benefit Overpayment £	Adult Services £	Miscellaneous Income £	HRA (Care Line/Service Charges) £	Parking £	Libraries £	HRA Tenants £
Under £5k	115,308.43	39,570.04	75,791	92,984	51,037	7,988	76,381.13	3,922	98,520.83
£5k-£25k	5,364.78	54,329.82	72,844	94,792	0	0	0.00	0.00	13,439.98
Over £25k	0.00	0.00	0	0	0	0	0.00	0.00	0
<b>Total</b>	<b>120,673.21</b>	<b>93,899.86</b>	<b>148,635</b>	<b>187,776</b>	<b>51,037</b>	<b>7,988</b>	<b>76,381.13</b>	<b>3,922</b>	<b>111,960.81</b>

No Write off's greater than £25,000 are required for this period.

Amount to write off	None.	Service Area

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## SOUTHEND-ON-SEA BOROUGH COUNCIL

### Meeting of Housing & Communities Working Party

**Date: Thursday, 22nd April, 2021**

**Place: Virtual Meeting via Microsoft Teams**

**Present:** Councillor I Gilbert (Chair)  
Councillors H McDonald (Vice-Chair), A Chalk, M Davidson and  
C Mulroney

**In Attendance:** Councillors D Garston and K Mitchell  
S Brown, R Dawson, T Forster, L Goldsmith, G Halksworth, S Moore,  
T Nicola and S Tautz

**Start/End Time:** 6.00 pm - 7.00 pm

#### **22 Apologies for Absence & Substitutions**

Apologies for absence were received from Councillor M Stafford (no substitute).

#### **23 Declarations of Interest**

No declarations of interest were made at the meeting.

#### **24 Minutes of the meeting held on 15 February 2021**

Resolved:

That the minutes of the meeting of the Working Party held on 15 February 2021 be received and confirmed as a correct record.

#### **25 Notice of Motion - Fuel Poverty**

The Working Party considered a Notice of Motion referred by the Council at its meeting on 4 March 2021, concerning action to reduce fuel poverty in Southend. It was reported that fuel poverty occurred when a household was unable to afford adequate warmth and that factors that contributed to fuel poverty included low income, poor insulation of dwellings and expensive forms of heating.

The Executive Director (Neighbourhoods and Environment) advised the Working Party of the support that was currently available to local residents to improve the energy performance of fuel poor homes and reduce energy costs, through a number of current initiatives and programmes.

The Working Party was advised that although improvements to the energy efficiency of homes could address many instances of fuel poverty, it was important that a broader approach was taken to addressing fuel poverty, alongside other forms of poverty. It was reported that the Council was already developing a coordinated response to other areas of poverty such as digital inclusion and food poverty, and that fuel poverty could be included within the scope of this emerging work to address the measures proposed in the Notice of Motion and broader actions around the provision of targeted advice and information, support for economic recovery across communities, and the linking of fuel poverty with broader themes around financial security and affordable housing.

Councillors asked a number of questions in relation to the causes of fuel poverty which were responded to by officers. The Executive Director (Neighbourhoods and Environment) indicated that a written response would be provided to several questions raised by members in relation to the improved energy efficiency of local homes, that could not be fully responded to at the meeting.

Resolved:

- (1) That the Notice of Motion concerning action to reduce fuel poverty in Southend, be noted.
- (2) That the Cabinet be recommended that existing work to support local residents to improve fuel poor homes through the Local Energy Advice Programme and REMeDY consortium, be maintained, and that the factors that contribute to fuel poverty be included within ongoing wider work to tackle poverty related issues.

## **26 Notice of Motion - Local Welfare Assistance**

The Working Party considered a Notice of Motion referred by the Council at its meeting on 4 March 2021, concerning the establishment and maintenance of a Local Welfare Assistance Scheme.

The Executive Director (Adults and Communities) advised the Working Party that a Local Welfare Assistance Scheme was currently delivered locally as the Southend Essential Living Fund (ELF), to help people to remain in their home, to set up home in the community and to be self-sufficient in times of financial hardship.

The Working Party was advised that there had been a 50% increase in applications to the ELF during the COVID-19 pandemic, primarily from people in financial and emotional crisis and from campaigns supporting rough sleepers. The Executive Director (Adults and Communities) reported that the Council had been awarded £212,000 from the Emergency Assistance Grant for 2020/21, the whole amount of which had been allocated to the ELF to provide support during 2021/22, alongside the allocation of £573,000 from the COVID Winter Grant Scheme to provide free school meal programmes and to support services provided by local voluntary organisations. The Working Party noted that, based on the demand for the ELF prior to the pandemic, the Council expected to continue to deliver the service going forward, although the extent of additional demand could not currently be quantified as the effects of the pandemic were likely to have an impact in the short term.

Councillors asked a number of questions in relation to the operation and delivery of the ELF which were responded to by officers.

Resolved:

- (1) That the Notice of Motion concerning the establishment and maintenance of a Local Welfare Assistance Scheme, be noted.
- (2) That the Cabinet be recommended that the current Essential Living Fund (ELF) programme be maintained as the Council's Local Welfare Assistance Scheme and that ongoing demand for the fund continue to be tracked and monitored in order to determine the extent to which additional funding for the ELF programme may be required going forward.
- (3) That the Cabinet be recommended that the Council continue to provide the Government with detailed data on the financial impact of the COVID-19 pandemic on the services that it provides, in order to highlight areas of financial need.

- (4) That the Cabinet be recommended that the Council continue to lobby the Government to provide appropriate additional financial assistance to support the future delivery of the ELF programme.

## **27 Notice of Motion - Membership of Development Control Committee**

The Working Party considered a Notice of Motion referred by the Council at its meeting on 4 March 2021, concerning current requirements for the appointment of members of the Development Control Committee.

The Working Party was reminded that requirements for membership of the Development Control Committee, which was a regulatory non-executive committee, were set out within the Council's Constitution (Part 3, Schedule 2 - The Constitution and Terms of Reference of Cabinet, Committees, etc.). It was reported that a full review of the Constitution, which set out how the Council operated and how decisions were made, was currently being undertaken.

Resolved:

- (1) That the Notice of Motion concerning current requirements for the appointment of members of the Development Control Committee, be noted.
- (2) That the Cabinet be recommended that requirements for the appointment of members of the Development Control Committee be considered as part of the review of the Constitution that was currently being undertaken.

**Chair:** \_\_\_\_\_

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## CABINET

Tuesday, 15<sup>th</sup> June, 2021

### 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 Executive Director (Finance and Resources) authorised:**

1.1 Futures School

Increase in the budget for the asbestos clearance and demolition of the former Futures School buildings due to the presence of significant amounts of previously un-identified asbestos and consequential increases in removal, disposal and site management costs and associated contract delay.

2.1 Airport Business Park - Speculative Development - Plot 14

The Council's development partner, HBD has secured planning permission to develop a speculative proposition on Plot 14, central to Airport Business Park.

The terms provide for the Council to sell the land to HBD for an initial land price plus an overage sum which crystallises following completion to ensure that the Council secures full value for its land along with a share of development profit. HBD will secure a higher profit margin as provided for in the Development Agreement as they will be investing speculatively (i.e. the units are not pre-let). The terms of the transaction have been independently certified for the purposes of s.123 Local Government Act 1972.

**2. The Interim Executive Director (Neighbourhoods and Environment) authorised:**

2.1 School Streets

The introduction of an experimental traffic regulation order to come into effect on the 22<sup>nd</sup> June and will be in operation Monday to Friday between 8:10am – 9:10am and 2:30pm – 3:30pm, term-time only to support the school street initiative at the Bournemouth Park Academy. A School Street is essentially a road outside a school with a restriction on motorised traffic at school drop-off and pick-up times. The restriction applies to school traffic (excluding school staff) and through traffic only.

## 2.2 LTP3 Implementation Plan

In advance of the development and adoption of LTP4, approval for the current Implementation Plan (LTP3) to be extended until 31<sup>st</sup> March 2023, or the adoption of a new LTP4, whichever is the earlier.

## 2.3 Environment Agency - Flood Risk Management Plans (FRMPs)

The preparation of the FRMP for the Flood Risk Areas (FRAs) identified in the Preliminary Flood Risk Assessment (PFRA) and the alignment of the measures in the FRMPs with other plans and strategies such as Shoreline Management Plans (SMPs), Local Flood Risk Management Plan (LFRMP), Surface Water Management Plans (SWMPs) and local drainage and wastewater management plans.

The FRMPs second cycle will contain measures for the period 2021-2027, a programme approval outline is below:

- January 2021 - measures development freeze date - all measures should be developed by this date with local approval.
- End of March 2021 - LLFAs complete relevant sections of the RBD FRMP templates.
- April to June 2021 - Environment Agency and LLFA final approval.
- Summer 2021 - Consultation on draft FRMPs goes live for three months.

By virtue of paragraph(s) 1, 2, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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of the Local Government Act 1972.

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