



Council Offices, Kiln Road,  
Thundersley, Benfleet,  
Essex SS7 1TF.  
Tel. No: 01268 882200  
Fax No: 01268 882455



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

## **CABINET AGENDA**

**Date:** **Wednesday 24th February 2016**

**Time:** **6.00pm – N.B. TIME**

**Venue:** Council Chamber

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

### **Membership:**

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

**Cabinet Enquiries:**  
**Reference:**  
**Publication Date:**

**John Riley Ext 2417/Ann Horgan ext. 2413**  
**7/2015/2016**  
**Tuesday 16th February 2016**

---

---

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

---

---

**1. Apologies**

**2. Members' Interests**

**3. Minutes**

To approve the Minutes of the meeting held on 20th January 2016.

**4. Forward Plan**

To review the Forward Plan

**5. Public Health and Wellbeing**

**6. Environment**

**7. Transforming Our Community**

**7(a) Disposal of Housing Property – 73 Maple Way**

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

**7(b) Housing Revenue Account (HRA) – 2016/17 Rent Levels, Revenue Budget and Capital Plan for 2016/17 and 2015/16 Revised**

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

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

**8(a) Corporate Scorecard Quarter 3 2015/16**

*(Report of the Cabinet Member for Responding to Challenge)*

**8(b) Authority to Represent the Council**

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

**8(c) Policy Frameworks and Budget Setting for 2016/17**

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

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

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

---

---

**PART II**  
**(Business to be taken in private)**  
**(Item to be considered with the press and public excluded from the meeting)**

---

---



## **CABINET**

**20TH JANUARY 2016**

### **PRESENT:**

Councillor Riley, Chairman	Leader of the Council
Councillor Stanley	Finance and Resources
Councillor Dick	Health and Wellbeing
Councillor Skipp	Environment & Leisure
Councillor Mrs Egan	Homes and Customer Engagement
Councillor Howard	Waste, Floods and Water Management
Councillor Isaacs	Neighbourhood and Safer Communities
Councillor Sharp	Responding to Challenge
Councillor Smith	Regeneration and Business Liaison

### **ALSO PRESENT:**

Councillors: Acott, Bayley, Blackwell, Campagna, Grieg, Hart, Mrs. King  
Letchford, May, Mumford, Palmer, Mrs. G and N. Watson.

### **69. MEMBERS' INTERESTS:**

Councillors Campagna, May and Palmer were present at the meeting each declared a non pecuniary interest pursuant to the Code of Local Conduct for Councillors under Agenda item 6(a) 'New' Paddling Pool, Concord Beach.

Councillor Letchford declared an interest pursuant to Part 2 of the Code of Local Conduct for Councillors under Agenda item 6(b) 'New' Paddling Pool, Concord Beach as Chairman of the Friends of Concord Beach. He left the chamber during consideration of this item.

### **70. MINUTES:**

The Minutes of the Cabinet meeting held on 18.11.2015 were approved and signed by the Chairman as a correct record.

### **71. FORWARD PLAN:**

To comply with regulations under the Localism Act 2011, the Leader of the Council presented a revised Forward Plan to the meeting which outlined key decisions likely to be taken within the next quarter 2015. The plan was reviewed each month.

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

## **72. SKATE PARK AND PLAY AREA INVESTMENT PROGRAMMES LEISURE AND RECREATION STRATEGY ACTION PLAN UPDATE**

Cabinet considered a report updating the Cabinet on the improvement programmes being undertaken to the Skate Park at Waterside Farm recreational ground and the installation of a new play area in front of Waterside Farm Leisure Centre.

**Resolved:**

To note the content of the report and the improvements and new facilities being provided.

## **73. HEALTH AND WELLBEING – CASTLE POINT**

Cabinet considered a report informing of work currently being undertaken by the wellbeing Policy & Scrutiny Committee. In presenting the report the Cabinet Member briefed Members on the meeting of the Committee held on the previous night 19.1.2016 where the committee received an update on various wellbeing initiatives. Details would be circulated to all Councillors through the Member Brief.

Members were also informed of the Committee's support for to the NHS England Plan for a single specialist surgical centre for people with urology cancer living in Essex. The Committee also requested that particular consideration is given to the transportation issues of patients referred to the centre for specialist surgery.

**Resolved:**

1. To note the work of the Wellbeing Policy and Scrutiny Committee and that the Committee reports back to Cabinet with its outcomes.
2. To endorse the response to NHS England Plan for a single specialist surgical centre for people with urology cancer.

## **74. 'NEW 'PADDLING POOL CONCORD BEACH**

Cabinet considered a report providing a more accurate estimate of costs after survey and design work had been undertaken for the installation of a pontoon style walkway and subject to securing the necessary funding, a project timetable for completion of the works.

**Resolved:**

1. To note the revised estimate for the installation of a pontoon style walkway/associated improvement works now that the topographical survey has been completed;
2. That an invitation to Tender documents are published requiring commencement of improvement works in October 2016 with completions prior by March 2017 at the very latest;
3. That a grant application for the shortfall in funding is submitted to the Veolia North Thames Trust.; and that
4. A further report is submitted to Cabinet once the tenders have been evaluated and the precise value of the works along with the outcome of the Veolia grant application is known.

**75. WASTE MANAGEMENT UPDATE**

Cabinet considered a report providing an update on waste management matters particularly the work being undertaken through the Essex Waste Partnership.

**Resolved:**

That Cabinet notes the report and gives “in principle” support to fund a partnership resource (if required) to progress any agreed work streams.

**76. EXTENSION TO THE THORNEY BAY CAR PARK**

Cabinet considered a report advising that the bid to the Coastal Revival Fund for the extension to the Thorney Bay car park was unsuccessful and seeking consent to draw down from reserves so that the proposed extension could still go ahead and be completed prior to the commencement of the summer season.

**Resolved:**

1. To note that the bid to the Coastal Revival Fund for an extension to the Thorney Bay car park was unsuccessful;
2. To endorse the use of reserves (up to a maximum of £45k) to fund the extension of the Thorney Bay car park; and

3. To support the introduction of a 16 hour waiting restriction in line with other Council owned sea front car parks, authorising the necessary action to amend the Off Street Parking Places Order and if required to consider the public consultation responses received in respect of the proposals prior to amending the Off Street Parking Places Order.

**77. CANVEY ISLAND FLOODING UPDATE: CANVEY ISLAND 6 - POINT PLAN**

Cabinet considered a report presenting to Cabinet the Canvey Island 6-Point Plan, an update report from the Multi Agency Partnership handed to Government at the end of November setting out how £24.5 million in funding would be used to deliver a long term plan to help Canvey Island's communities and businesses by increasing their resilience to the risks of surface water flooding.

**Resolved:** to note the report.

**78. DISPOSAL OF HOUSING PROPERTY – 73 MAPLE WAY**

Consideration of this item was deferred for further information on the costs.

**79. SPENDING REVIEW HIGH LEVEL UPDATE**

The Cabinet received a report presenting a summary of the key elements from both the Secretary of State for the Department for Communities and Local Government (DCLG), Greg Clark MP statement to Parliament on 17.12.2016 on the provisional local government finance settlement 2016/17 and a separate consultation in relation to the New Homes Bonus launched at the same time. These together with an indication of the financial implications for Castle Point were a precursor to the budget and council tax setting report which would be presented to Cabinet and Council in February.

**Resolved:** To note the report.

**80. MATTERS TO BE REFERRED FROM/TO POLICY SCRUTINY COMMITTEES:**

See Agenda Item 5(b) (Minute 73) Health and Wellbeing – Castle Point

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

There were no matters.

Chairman



# **Castle Point Borough Council**

## **Forward Plan**

**FEBRUARY 2016**



# **CASTLE POINT BOROUGH COUNCIL**

## **FORWARD PLAN**

**FEBRUARY 2016**

This document gives details of the key decisions that are likely to be taken. A key decision is defined as a decision which is likely:-

- (a) Subject of course to compliance with the financial regulations, to result in the local authority incurring expenditure which is, or the savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates subject to a threshold of £100,000; or
- (b) To be significant in terms of its effects on communities living or working in an area comprising two or more Wards in the area of the local authority.

The Forward Plan is a working document which is updated continually.

<b>Date</b>	<b><u>Item</u></b>	<b>Council Priority</b>	<b>Decision by Council/ Cabinet</b>	<b>Lead Member(s)</b>	<b>Lead Officer(s)</b>
February 2016	<u>Disposal of Housing Property – further report</u>	Transforming Our Community	Cabinet	Homes & Customer Engagement	Head of Housing & Communities
February/ June 2016	<u>Treasury Management Report – Updates</u> (February update included in the budget report.)	Efficient and Effective Customer Focussed Services	Cabinet	Resources & Performance	Head of Resources
February 2016	<u>Housing Revenue Account Rent Levels 2016/2017 Housing Capital Programme etc</u>	Transforming Our Community Efficient and Effective Customer Focussed Services	Cabinet	Homes & Customer Engagement	Head of Housing & Communities Head of Resources
February 2016	<u>Budget and Policy Framework</u> To make recommendations to Council on the Council tax and budget setting.	All	Cabinet/ Council	Resources & Performance	Head of Resources
March 2016	The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 Approval of penalty charges	Efficient and Effective Customer Focussed	Cabinet	Homes & Customer Engagement	Head of Environment

		Services			
March 2016	<u>Private Sector Housing Regulatory Policy</u> – for approval	Efficient and Effective Customer Focussed Services	Cabinet	Homes & Customer Engagement	Head of Environment
March 2016	<u>Animal Boarding Establishments – Licensing Policy</u> – for approval	Efficient and Effective Customer Focussed Services	Cabinet	Neighbourhoods and Safer Communities	Head of Environment
March 2016	<u>Extension of Thorney Bay Car Park – report on consultation on Off Street Parking Places Order if required</u>	Environment	Cabinet	Environment	Head of Environment
March 2016	<u>Waste Update (if required)</u>	Environment	Cabinet	Waste, Floods and Water Management	Head of Environment
April 2016	<u>Report back from Health &amp; Wellbeing Scrutiny Committee</u>	Health & Wellbeing	Cabinet	Health & Wellbeing	Head of Regeneration & Neighbourhoods
April 2016	<u>Resources Strategies : To note revisions</u>	All	Cabinet	Resources & Performance	Head of Resources

**CABINET**

**24th February 2016**

**Subject: Disposal of Housing Property - 73 Maple Way**

**Cabinet Member: Councillor Mrs Egan – Homes and Customer Engagement**

---

**1. Purpose of Report**

**To provide Cabinet with information to enable them to consider the disposal of 73 Maple Way. A three bedroom property which is part of the Housing Service housing stock.**

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

**Public Health and Well Being  
Transforming our Community**

**3. Recommendation**

**That Cabinet approve the option to dispose of 73 Maple Way for a sum not below a fair market valuation.**

---

**4. Background**

The Council currently owns 73 Maple Way, Canvey Island which is part of the Housing Stock valued within the Housing Revenue Account.

The property has previously been let as a secure council tenancy. Since the previous tenant vacated the property it has remained unoccupied.

The Property is in a very poor state of repair including a leaking roof which has caused a ceiling to collapse and an inspection has identified rising damp. There is also a structural defect in the side gable wall. The property will require a complete refurbishment and repair of the structural defect to bring it to current decent homes standard.

**5. Options Appraisal**

The Housing Service has given serious consideration to the options available for this property. The financial details associated with these options are outlined in the Appendix presented under Part Two of the Agenda. (Exempt Information Paragraph 3 Local Government (Access to Information) (Variation) Order 2006.

The cost of repairs and refurbishment, which would have to be recovered through on-going rent, also the options for making changes to the property have been considered. These options remain outside the financial viability for the service.

The further options considered were:

- To refurbish the property to be fully adapted for use by a disabled family. After scrutiny of associated plans this option was rejected due to the structural layout of the property which did not provide for the necessary changes.
- To consider an extension of the property to create a four bedroom property which is needed within the Housing stock. This option was rejected due to associated costs and planning limitations.
- To consider an extension of the property which created 2 two bedroom properties. This option was rejected due to associated costs and planning limitations.

## **6. Proposal**

It is proposed that the Property be sold on the open market and to achieve a fair market value from the sale.. This can be carried out either via an estate agent or via an auction. The costs of a sale required by these options will be compared and it will be ensured that the Council utilises the most cost effective approach to this disposal. In either case the Council would incur legal costs in relation to the disposal, in addition to the sale and purchase fees.

## **7. Corporate Implications**

Disposal would result in the loss of one council property from stock which depending on how the capital receipt were used, could be replaced.

### **a. Financial implications**

These are set out in the appendix listed under private business..

### **b. Legal implications**

The sale is allowed through the Secretary of State deemed consents permitting the sale of land so long as the Council achieves market value. The process of the sale will follow all legal requirements and be undertaken by the Legal Service.

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

There are no implications on the available resources to manage this process. The legal work for the disposal will be dealt with by the Council's inhouse legal service. The human resource required to reinstate the property to an acceptable

standard would need to be taken into account should the disposal not be approved.

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

If agreed the property will be placed on the open market as soon as possible to obtain completion at the earliest possible opportunity.

**Report Author:** Wendy Buck – Head of Housing and Communities

**CABINET**

**24th February 2016**

**Subject: Housing Revenue Account (HRA) – 2016/17 Rent Levels, Revenue Budget and Capital Plan for 2016/17 and 2015/16 Revised**

**Cabinet Member: Councillor Stanley – Finance & Resources**

---

**1. Purpose of Report**

It is Cabinet's role to determine the rent levels for Council dwellings and garages and approve an HRA budget that meets legal requirements and delivers the approved HRA Business Plan and associated policies and strategies.

This report submits for the Cabinet's consideration:

- Rent levels for Council dwellings and garages for 2016/17.
- HRA Revenue budget for 2015/16 (revised) and 2016/17.
- HRA Capital Plan for 2015/16 (revised) and 2016/17

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

The approval of the HRA Revenue and Capital budgets supports the Council priorities of Public Health and Wellbeing, Environment, Transforming our Community and Efficient and Effective Customer Focused Services.

**3. Recommendations**

**1. That, subject to the final provisions of the Welfare Reform and Work Bill, currently passing through Parliament once enacted:**

- a) A rent reduction of 1% for all housing revenue account dwellings be agreed, resulting in an average reduction of £0.91 per week.**

**or**

- b) That the exemption from the rent reduction for sheltered housing is applied and rents for sheltered housing are increased by an average of £0.71 per week, and rents for other dwellings are decreased by an average of £0.94 per week.**

**2. That garage rents are increased by £1.00 per week (excluding VAT).**

**3. That the HRA revenue budget for revised estimate 2015/16 and estimate 2016/17, as set out in Annexe A, is approved.**

**4. That the HRA capital plan for revised estimate 2015/16 and estimate 2016/17, as set out in Annexe B, is approved.**

---

**4. Introduction**

4.1 From April 2012, HRA self-financing replaced the former subsidy system and, as a consequence, Castle Point and many other authorities with housing stocks were required to take on significant debt to be serviced by housing rents, through the HRA. In support of the new arrangement each authority was required to establish a 30 year business plan and demonstrate long term viability, which by necessity included assumptions around future rent revenue.

4.2 It was understood that there would be greater freedom for local authorities to manage and invest in their housing stock however, central control over rent setting continues and since self financing was introduced there have been a number of changes to the original “deal” which local authorities entered into.

4.3 The rent-restructuring framework introduced by the Government in 2002/03 set out a common basis on which all rents in the social sector should be set. The aim was that social rents for similar houses in the same area should be the same, irrespective of the landlord. This is known as the “formula” or “common” rent and following a number of timeframe changes convergence has now been reached.

- Limit Rent: This is set by the Government and defines the average rent beyond which rent rebate subsidy is not payable (known as rent rebate subsidy limitation).
- Formula or Common Rent: This is based on a Government national formula for calculating social rents.

As rent convergence has been reached and no further transitional adjustments are to be made the “limit” rent will now remain roughly equal to the formula or common rent. Actual rents are slightly lower due to a number of properties that currently are not at formula rent, this is highlighted in section 4.5

4.4 The Limit rent and Formula rent must be taken into consideration when the Council sets its actual rent for the forthcoming financial year, as shown in paragraph 5.1.

**Changes to Rent Setting Formula and Impact on the HRA Business Plan**

4.5 In 2015/16 a revised rent setting formula was introduced which prescribed annual rent increases based on September CPI + 1% as opposed to the previous method of September RPI + 0.5% (original basis of self financing and HRA business plan). Originally this formula was to remain for a period of 10 years however the Welfare Reform and Work Bill currently before Parliament has replaced this with a formula from 2016/17 of 1% reductions to rent over four years. The ability to adjust rents where actual rents are not equal to formula rent has been retained upon the vacation of a property and subsequent letting to a new tenant.



- 4.6 The financial impact of the Welfare Reform and Work Bill was reported to Cabinet in the November Financial Update report as being a reduction in rental income of approximately **£2.6m** over the four year period commencing 2016/17. The impact is significantly more across the lifetime of the HRA business plan and threatens overall viability.
- 4.7 The previous formula based on CPI + 1% would have resulted in a rent increase of **0.9%** as opposed to the **1%** reduction. This means that the reduction in income compared to last year's formula is actually **1.9%**.
- 4.8 This loss of revenue is being managed over the initial four year period by reducing capital expenditure to a level that would not require additional contributions from the Housing Revenue Account. The housing service is also undertaking a review of long-term options to ensure the viability of the business plan. This will consider a combination of changes.

#### **Supported Housing 1 year exemption from proposed rent reduction**

- 4.9 On the 27 January 2016 it was announced in both Houses of Parliament that a one year exemption from the proposed 1% rent reduction would be given in respect of supported housing, instead CPI + 1% could be applied. The announcement gave a wide definition of supported housing that included older person accommodation; this was later confirmed in a statement from DCLG. Unfortunately, at the time of writing this report the precise intention is unclear and it is hoped that further guidance will be included in the regulations of the Welfare Reform and Work Bill currently before Parliament. This change would impact upon the council's sheltered housing units and would reduce the average rent decrease to be applied. To reflect this potential change both scenarios have been reflected in the recommendations and in section 5 below.

#### **Supporting People Funding**

- 4.10 When Supporting People charges were introduced from 7th April 2003 the full cost of the service was charged to tenants and paid by Essex County Council (ECC). From the 2nd April 2012 the amount ECC would pay in respect of Supporting People Grant was capped at **£9.63**, at which time the amount charged to tenants was also capped at this level, with any costs above this being absorbed within the HRA. ECC now require all sheltered housing users to pay a **£2** per week contribution towards their service. As a consequence, the amount of support grant the Council will receive from ECC will reduce from **£9.63** to **£7.63** the difference being the **£2** tenants will now be required to pay towards their support. This change may have an impact on rent collection and arrears.
- 4.11 The Council intends to reintroduce the full cost of the Supporting People service, currently **£17.90**, in incremental stages over the next **4** years, to protect existing tenants from significant rent increases. The charges for 2016/17 will therefore be as follows, including both the top up required by ECC (**£2**) and the additional cost less transitional relief (**£2.06**):

Existing tenants in receipt of Housing Benefit	<b>£4.06</b>
Existing tenants not in receipt of Housing Benefit	<b>£11.69</b>
New tenants in receipt of Housing Benefit	<b>£10.27</b>
New tenants not in receipt of Housing Benefit	<b>£17.90</b>

There are a small number of tenants whose account predates the introduction of Supporting People will continue to be protected from paying the charge, whilst tenants in receipt of Housing Benefit may receive additional benefit payments towards the costs shown above, subject to their entitlement.

#### **Repairs and maintenance**

- 4.12 A full programme of planned maintenance for 2016/17 has been prepared by South Essex Homes in conjunction with Housing Services. The programme is informed by the stock condition survey completed by South Essex Homes in early 2013, which is continuously updated. The condition survey assesses the capital and revenue investment requirements for the Council's housing stock over the next 30 years, and therefore informs the 30 year HRA Business Plan which informs the Housing Revenue Account.
- 4.13 The Capital Plan submitted for approval at Annexe B has been prepared on the basis of the aforementioned stock condition survey and also includes projects in progress such as the construction of new dwellings in St Christopher's Close. It was previously envisaged that the capital plan would include provision for future development opportunities which would be undertaken by utilising receipts from right to buy sales and contributions from the HRA revenue budgets. With the restrictions currently in place on capital expenditure as highlighted in earlier sections the ability to undertake this type of work is limited.
- 4.14 The Capital Plan constitutes an affordable core plan that can be financed within the HRA business plan.

#### **Basis for preparation of estimates**

- 4.15 Estimates have generally been prepared by the Resources Department and agreed with the Housing and Communities Department:
- based on the current staffing establishment and current service delivery.
  - based on out-turn prices, i.e. to include anticipated pay and price increases.
- 4.16 The estimates are submitted to the Cabinet as officers' recommendations on the net spending necessary to deliver approved HRA policies and strategies in 2016/17. These estimates have been tested in the HRA business plan and have been shown to be sustainable over the Medium Term.
- 4.17 The Cabinet is encouraged to concentrate on the policy aspects of the estimates in order to link spending plans to Council policies and strategic objectives, e.g. appropriate resources are directed to housing management and maintenance services respectively.

## 5. Proposals

### HRA Rent

- 5.1 The table below provides a comparison between Castle Point's "formula", "limit" and actual rents, based upon all properties having the 1% decrease in rent applied.

	Rent 2015/16 £	Decrease £      %		Rent 2016/17 £
Formula rent	<b>90.93</b>	<b>0.91</b>	<b>1.00</b>	<b>90.02</b>
Limit rent	<b>91.09</b>	<b>1.03</b>	<b>1.13</b>	<b>90.06</b>
Actual rent	<b>90.89</b>	<b>0.91</b>	<b>1.00</b>	<b>89.98</b>

- 5.2 The decrease on the formula rent is equal to that on actual rent, thus mirroring the new universal rent adjustment level. The decrease on limit rent is higher than the actual rent decrease thus bringing actual rents closer to limit rent and minimising potential issues around rent rebate subsidy limitation.
- 5.3 If all properties were to have the rent decrease applied, the proposed 2016/17 average rent for Castle Point is **£89.98**, a reduction of **£0.91** on the actual average 2015/16 rent of **£90.89**.
- 5.4 The table below provides a comparison between Castle Point's "formula", "limit" and actual rents, based upon all general needs properties having the 1% decrease in rent applied, whilst sheltered housing has a rent increase of CPI+1%.

	Rent 2015/16 £	Decrease £      %		Rent 2016/17 £
Formula rent	<b>90.93</b>	<b>0.63</b>	<b>0.69</b>	<b>90.30</b>
Limit rent	<b>91.09</b>	<b>0.76</b>	<b>0.83</b>	<b>90.33</b>
Actual rent	<b>90.89</b>	<b>0.62</b>	<b>0.68</b>	<b>90.27</b>

- 5.5 The decrease on the formula rent is equivalent to that on actual rent. The decrease on limit rent is higher than the actual rent decrease thus bringing actual rents closer to limit rent and minimising potential issues around rent rebate subsidy limitation.
- 5.6 If the exemption of sheltered housing were to be adopted, the proposed 2016/17 average rent for Castle Point is **£90.27**, a reduction of **£0.62** on the actual average 2015/16 rent of **£90.89**.
- 5.7 It is proposed to implement a **£1.00** per week (excluding VAT) rent increase for Council owned garages for 2016/17. The last increase applied was in 2014/15.

### Revenue and Capital Estimates

- 5.8 Annexe A presents the HRA revenue estimates and Annexe B presents the HRA Capital Plan. There are columns on both annexes for each of:
- Actual expenditure/income for 2014/15.
  - Original estimate for 2015/16 as approved by Cabinet on 18th February 2015, updated where applicable for any subsequent approved amendments since that date.

- Revised estimate for 2015/16 now submitted for approval.
- Estimate for 2016/17 now submitted for approval.

- 5.9 These have been prepared on the basis of all properties have a 1% rent decrease, if the sheltered housing exemption were to be applied there would be a estimated £22k increase in income for the year.

### **HRA Reserves**

- 5.10 The advice of the Head of Resources on HRA reserves is that a safe minimum level would be approximately **£469k** as at 31 March 2015 and **£476k** as at 31 March 2016, based on previous Government guidance for an amount per property uprated for inflation. The HRA budget provides for levels of reserves at the end of 2015/16 and 2016/17 respectively, in excess of these balances. This will enable the Council to maintain the funding currently allocated to repair and maintenance. The HRA also maintains a separate earmarked reserve which is setting aside sums annually for the scheduled repayments in future years of the debt taken out on the HRA self-financing reform in 2012. Funds will be drawn from this reserve as debt falls due for repayment.

## **6. Corporate Implications**

### **a. Financial implications**

Financial implications are outlined in sections 4 and 5 above.

### **b. Legal implications**

The HRA is “ring-fenced” by legislation and must therefore be self-financing. There is no general power to transfer surpluses to the General Fund or to meet a deficit by contribution from the General Fund.

The Council has a statutory duty to set a budget for the HRA that avoids a deficit. This includes provision for a prudent level of reserves to call upon in the event of unforeseen circumstances, emergency expenditure or major budget variations. Failure to maintain adequate reserves could possibly result in an additional mid-year rent increase; this may push rent levels above limit rents and thus result in the loss of rent rebate subsidy on part of the rental income.

### **c. Human resources and equality implications**

There are no new implications.

However, Members are reminded that the Council has a responsibility to deliver the Government’s Decent Homes Standard and to work towards the national provision of 1 for 1 replacement of homes sold through the Right to Buy. The 2016/17 Capital Plan is currently prioritised towards those programmes of repair, maintenance and modernisation which tackle identified non-decency issues in the housing stock, but may be required to support the Right to Buy objective as well in combination with additional funds being allocated from revenue.

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

The proposed rent level for 2016/17 must be approved at this meeting so that the statutory notice to tenants is given in order for the new rents to be effective from 4th April 2016.

Preparation for the implementation of the Capital Plan programmes for 2016/17 can commence immediately following Cabinet's approval in order to ensure that works progress promptly in the new financial year.

The implications of not approving the proposed programmes would be a failure in the Council's responsibility to tackle known non-decency issues in its housing stock.

The implication of not approving the recommended rent increases for dwelling rents would be that the Council would not receive additional income to the Housing Revenue Account. This would have a direct impact on service delivery. Furthermore, if the dwelling rent increase is not approved, the Council's actual rent levels would diverge further from social housing rent policy and due to the restrictions on increases would result in ongoing lower income levels, with limited opportunity to recoup the lost income.

The reduction in rental income resulting from the government guidance on rent levels represents a risk to the viability of the HRA business plan and the long-term delivery of social housing services by the Council within the Borough.

**7. Background Papers:**

Housing Revenue Account Business Plan and associated ODPM/DCLG guidance

Housing Strategy and associated ODPM/DCLG guidance

ODPM/DCLG guidance on the delivery of the Decent Homes Standard and options appraisals

Guidance on Rents for Social Housing (consultation)

Welfare Reform and Work Bill

Financial Update Report to Cabinet – November 2015

**Report Author:** Chris Mills – Head of Resources

## Housing Revenue Account

No	Housing Revenue Account summary	Note	2014/15 Actual	2015/16 Estimate	2015/16 Revised	2016/17 Estimate
			£000s	£000s	£000s	£000s
	<b>Income</b>					
	Gross dwelling rents		(6,917)	(7,100)	(7,112)	(7,001)
	Gross non-dwelling rents		(131)	(142)	(133)	(140)
	Charges for services and facilities		(410)	(441)	(434)	(561)
1	<b>Total Income</b>		<b>(7,458)</b>	<b>(7,683)</b>	<b>(7,679)</b>	<b>(7,702)</b>
	<b>Expenditure</b>					
	Supervision and management		2,065	2,215	2,367	2,095
	Repairs and maintenance		1,033	1,289	1,200	1,173
	Increased provision for bad or doubtful debts		15	31	31	32
	Rents rates taxes and other charges		202	224	224	230
	Sheltered housing transitional protection		4	5	5	85
	Depreciation and revaluation/impairment of fixed assets		(921)	1,183	1,087	1,273
2	<b>Total Gross Expenditure</b>		<b>2,398</b>	<b>4,947</b>	<b>4,914</b>	<b>4,888</b>
3	<b>Net cost of HRA services</b>		<b>(5,060)</b>	<b>(2,736)</b>	<b>(2,765)</b>	<b>(2,814)</b>
4	Total other operating Income and Expenditure	1	<b>1,338</b>	<b>1,568</b>	<b>1,569</b>	<b>1,564</b>
5	Total Net Statutory Adjustments	2	<b>3,490</b>	<b>700</b>	<b>440</b>	<b>(107)</b>
6	<b>(Surplus) / deficit on HRA services</b>		<b>(232)</b>	<b>(468)</b>	<b>(756)</b>	<b>(1,357)</b>
	<b>Reserves</b>					
	<b>HRA Main Reserve</b>					
7	Reserve balance brought forward		2,394	1,848	1,848	1,826
8	Surplus/(deficit) for the year		232	468	756	1,357
9	Transfer (to) / from HRA Earmarked Reserve		(778)	(778)	(778)	(778)
	<b>Reserve balance carried forward</b>		<b>1,848</b>	<b>1,538</b>	<b>1,826</b>	<b>2,405</b>
	<b>HRA Earmarked Reserve</b>	3				
10	Reserve balance brought forward		1,556	2,334	2,334	3,112
11	Provision for loan repayments		778	778	778	778
	<b>Reserve balance carried forward</b>		<b>2,334</b>	<b>3,112</b>	<b>3,112</b>	<b>3,890</b>
	<b>Notes</b>					
1	Various interest payable and receivable and asset valuation adjustments					
2	Various statutory adjustments and reversals, to ensure that rental income is not affected by income and expenditure relating to non-current assets, such as depreciation, gains and losses on disposals, and other similar items					
3	Earmarked reserve for sums set aside for future repayment of loans taken out in March 2012 under HRA Self Financing reform					

## Housing Revenue Account - Capital Plan

No	Housing Revenue Account Capital Plan summary	2014/15 Actual	2015/16 Estimate	2015/16 Revised	2016/17 Estimate
1	<b>Annual Programmes for replacement and repair</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
	Disabled adaptations to council properties	99	100	100	100
	Central heating replacement	162	340	238	332
	Kitchen replacement and improvements	88	200	154	246
	Roofing maintenance	296	600	600	300
	Structural repairs	0	80	0	110
	Electrical rewiring	211	100	100	30
	Replacement Doors	0	60	60	70
	Bathroom replacement and improvements	102	200	137	200
	Maintenance and redevelopment of communal areas	96	365	285	140
	UPVC fascias and soffits	0	150	100	50
	Refurbishment at Gowan Court	395	0	13	0
	Refurbishment at Amelia Blackwell House	237	0	46	0
	Purchase of Drapers Court, Long Road	2,384	0	0	0
	Conversion of vacant ex-wardens accommodation	0	55	55	30
	New Build at St Christopher's Close	8	0	356	185
	Unallocated Provision	0	150	0	76
		<b>4,078</b>	<b>2,400</b>	<b>2,244</b>	<b>1,869</b>

**CABINET**

**24th February 2016**

**Subject: Corporate Performance Scorecard Quarter 3 2015/16**

**Cabinet Member: Councillor Sharp, Cabinet Member for Responding to Challenge**

---

**1. Purpose of Report**

**To set out the performance figures for the Corporate Performance Scorecard for quarter 3, 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015.**

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

**The scorecard is explicitly linked to the Council's priorities.**

**3. Recommendation**

**That Cabinet notes the reported performance Appendix 1.**

---

**4. Background**

4.1 The Corporate Scorecard reports on performance indicators for important service outcomes that are relevant to the Council's priorities.

4.2 The indicators for the corporate performance scorecard for 2015/16 were discussed and approved by Cabinet in June 2015, and include consideration of Council aims and objectives as well as indicators that are important in areas such as customer service and contractor performance.

4.3 The scorecard has a column which indicates the performance for the same quarter period last year and an indication of the trend when compared to the same quarter period for this year. The trend column graphically sets out whether performance has improved, remained the same or got worse compared to last year with arrow symbols. A green upward pointing arrow denotes improved performance, a yellow horizontal arrow denotes performance has remained broadly the same and a red downward pointing arrow indicates performance that has decreased.

4.4 The scorecard also sets out whether performance is meeting target in the status column.



## **5. Report**

### **5.1 Summary of performance**

- 5.1.1 The performance summary in Appendix 1 sets out the performance achieved by the Council against the measures in the scorecard. Performance is very good. Of the 14 indicators reported, 13 are at or above target, and one is below target.

Performance is set out against the priorities as follows:

#### ***Public Health and Wellbeing***

The Environmental Health service continues to maintain high performance with the percentage of food premises that are awarded a score of at least 3 on the food hygiene rating system at 93%, which slightly below the result for the same quarter last year but exceeds the target of 90%.

Performance for households in temporary accommodation at any one time during quarter 1 of 2015/16 dipped when compared to the same quarter period last year. This reflects significant ongoing pressure from the impact of welfare reforms and the shortage of temporary housing stock.

#### ***Environment***

The overall percentage of Household waste recycled or composted was 49.9%, and below the target of 55%. There have been some contamination issues with waste that is not recyclable being placed in recyclable waste and this has impacted on the percentage of recyclable waste collected. The service is undertaking further action to deal with the issues.

Local authorities across Essex are reporting a downward trend in recycling figures and further analysis is required to better understand the reason for this downward trend. It is known however that a significant amount of food waste remains in the residual waste stream and the Essex Waste Partnership will be specifically targeting future education and promotional activities on waste reduction and food waste recycling in order to improve performance.

The performance information for street cleanliness, fly tipping and grass verge cutting Indicators generally demonstrates strong performance and that the contractual arrangements are proving effective.

#### ***Transforming our Community***

Tenant satisfaction with repairs and maintenance at 96.7% is strong and similar to the performance of 96.9% achieved for the same quarter period last year. The rate for voids completion is also strong at 20.2 days and also exceeds target.

The percentage of planning applications processed within target times is generally improving and the government target for each of the three measures has been exceeded.

The building control service ensured all applications were processed within statutory timescales.

### ***Efficient and Effective Customer Services***

The Council's First Contact team continue to be very successful in limiting the number of calls that they have to transfer to the back office to be dealt with just 5% of the calls received transferred.

Finally, the sickness absence rate for staff met the target, and is an improvement when compared to the same period last year.

5.1.2 Further commentary on performance is set out in the table in Appendix 1.

## **6. Corporate Implications**

### **a. Financial implications**

Good performance on some indicators can lead to reduced costs (e.g. higher recycling leads to a reduction in payments for sending waste to landfill)

### **b. Legal implications**

There are no direct legal implications at this stage.

### **c. Human resources and equality**

There are no direct human resource or equality implications at this stage.




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

Monitoring of the Corporate Performance Scorecard is ongoing throughout the year.

## **7. Background Papers:**

None

Report Author: Craig Watts ext. 2419 [crwatts@castlepoint.gov.uk](mailto:crwatts@castlepoint.gov.uk)

Key	
	More than relative 10% below target
	Less than relative 10% below target
	On or above target



## Appendix 1

# Corporate Scorecard 2015/16 (Public Health & Wellbeing)

Quarter 3: 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015



**Note: All performance values are cumulative (i.e. from 1<sup>st</sup> April to end of June/September/December/March) unless otherwise stated**

PI Code & Short Name	Q3 Value 2014/2015	Q3 Value 2015 / 2016	Target	Trend	Status	Comments
EH2 Percentage of food premises that are awarded a score of at least 3 on the food hygiene rating scheme.  Service Manager: Environmental Health Operational Manager	96%	93%	90%	↔		408 of 436 total rated food establishments were awarded a 3* or better rating, under the Food Hygiene Rating Scheme.
HLess 3 Number of Households in Temporary Accommodation  Service Manager: Community Support Manager	66	80	85	↓		The Housing Options service continues to face significant ongoing pressure from the impact of Welfare Reforms and shortage of temporary housing stock. Some work is currently being undertaken to help with issues and work is being undertaken with partners and private sector landlords to obtain cost effective temporary accommodation.

# Corporate Scorecard 2015/16 (Environment)

Quarter 3: 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015



**Note: All performance values are cumulative (i.e. from 1<sup>st</sup> April to end of June/September/December/March) unless otherwise stated**

PI Code & Short Name	Q3 Value 2014/2015	Q3 Value 2015 / 2016	Target	Trend	Status	Comments
OPS4 Percentage of Household Waste Recycled  Service Manager: Operational Services Manager	28.8%	23.8%	Annual Target 30%	↓		Figure is estimated Combined recycling and composting rate = 49.9%, below the overall target of 55%. There have been some contamination issues which have resulted in a lower recycling figure this quarter.
OPS 5 Percentage of Household Waste Composted (including food waste)  Service Manager: Operational Services Manager	26.5%	26.1%	Annual Target 25%	↔		Figure is estimated. Weather conditions can lead to fluctuations in the amount of garden waste collected. Home composting and also participation/capture rates for food waste collection service will also impact on composting performance.
SS2 Percentage of streets inspected which are deemed to be unsatisfactory using Code of Practice for Litter and Refuse methodology.  Service Manager: Contracts Manager	4.7%	7.8%	Less than 10%	↓		October, November and December tend to produce increased amounts of litter due to the various public events and holidays that take place, it is therefore good to see that Pinnacle have been able to keep the percentage of areas inspected as unsatisfactory below 10%.

# Corporate Scorecard 2015/16 (Transforming our Community)

Quarter 3: 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015







Note: All performance values are cumulative (i.e. from 1<sup>st</sup> April to end of June/September/December/March) unless otherwise stated



PI Code & Short Name	Q3 Value 2014/2015	Q3 Value 2015 / 2016	Target	Trend	Status	Comments
ENV 4 Flytips removed within one working day  Service Manager: Contracts Manager	100%	100%	90%	↔	✓	Actual fly tips have decreased over the period of the 3rd quarter, and those that have been reported have been removed within the 24 hour contracted specification
SS4 Number of rectification and default notices served in relation to Highway Grass Verge cutting.  Service Manager: Contracts Manager	4	1	Under 50	↑	✓	Pinnacles grass cutting programme carried on as long as possible into the quarter 3 period, the low figure shows contract standards were being met.
SS5 Percentage of Rectification Notices served in relation to Highway Grass Verge cutting rectified within 72 hours.  Service Manager: Contracts Manager	75%	100%	90%	↑	✓	All default Notice was rectified within 72 hours.

**Note: All performance values are cumulative (i.e. from 1<sup>st</sup> April to end of June/September/December/March) unless otherwise stated**

PI Code & Short Name	Q3 Value 2014 / 2015	Q3 Value 2015 / 2016	Target	Trend	Status	Comments
HOS1 Overall tenant satisfaction with repairs and maintenance.  Service Manager: Tenancy Services Manager	96.9%	96.7%	96%	↔	✓	Target continues to be met.
HOS6 Average Void Turnaround Time.  Service Manager: Tenancy Services Manager	16.5 Days	20.2 Days	23 Days	↓	✓	Performance in quarter 3 for 2015-16 is matching performance for the same period in 2014-15 when the one off 'first lets' of Drapers Court are excluded.  Performance has been maintained through continued focused work by both housing and its contractor partners

PI Code & Short Name	Q3 Value 2014 / 2015	Q3 Value 2015 / 2016	Target	Trend	Status	Comments
DC2 to DC4: Percentage of planning applications processed within target time limits for major, minor and other applications  Service Manager: Chief Development Control Officer	100%	66.6%	Major 60%			The general trend is of continuing improving performance. It should be noted that for major applications, these are more complicated and with much smaller numbers. A total of 6 applications were determined for the quarter period with 2 not being processed within the target timescale.
	47.4%	73.8%	Minor 65%			
	72.7%	83.1%	Other 80%			
Percentage of Building Control applications processed within statutory time limits.	100%	100%	100%			All applications processed within the required timescales.

# Corporate Scorecard 2015/16 (Efficient & Effective Customer Services)



Quarter 3: 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015

Note: All performance values are cumulative (i.e. from 1<sup>st</sup> April to end of June/September/December/March) unless otherwise stated

PI Code & Short Name	Q3 2014/15 Value	Q3 value 2015 / 2016	Target	Trend	Status	Comments
<p>FC1 Percentage of calls taken from customers by First Contact that are dealt with without the need to transfer to the back office</p> <p>Service Manager: Community Support Manager</p>	94%	95%	Annual Target 92%	↑	✓	The First Contact service continues to maintain strong performance in this area.
<p>Average number of days Sickness absence per FTE staff for all Council Services (rolling year)</p> <p>Service Manager: Human Resources Manager</p>	8.65 Days	6.16 Days	7 Days	↑	✓	There has been a significant improvement in sickness absence levels compared with last year. This has been helped by managers seeking early advice in long term sick cases and offering phased returns to work to a variety of employees.



**CABINET**

**24th February 2016**

**Subject: Authority to represent the Council**

**Cabinet Member: Councillor Stanley – Finance and Resources**

---

**1. Purpose of Report**

The purpose of this report is to approve the authorisation to allow a member of the Council's Law Team presently employed by the Council to represent the Borough Council in proceedings before the Magistrates' Court and County Court.

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

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

**3. Recommendations**

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

**Mr Bradley Cooper – Trainee Solicitor**

---

**4. Background**

Solicitors who are employed by the Council have automatic rights of audience to appear before the Courts to represent the Council and un-admitted legal staff who are undergoing training to obtain legal qualifications may also appear and represent the Council provided they are specifically authorised to do so by the Council.

**5. Proposals**

It would be beneficial for the Council to allow its trainee solicitor to appear to represent the Council in legal proceedings before the Courts and the appropriate authorisation would also allow for the proper training and development of this staff member.

It is proposed that the trainee solicitor be authorised to appear to represent the Council in legal proceedings before the Courts pursuant to Section 223 Local Govt Act 1972 and Section 60(2) County Courts Act 1984.

**6. Corporate Implications**

**(a) Financial Implications**

In some circumstances where no other solicitor or legal officer employed by the Council is available it may be necessary to incur extra costs by instructing Counsel or a solicitor agent to represent the Council at Court.

**(b) Legal Implications**

Without authorisation from the Council the trainee solicitor employed by the Council is unable to appear before the Courts to represent the Council in legal proceedings.

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

It would assist the management of the Council's legal services for the trainee solicitor to be authorised to represent the Council at Court.

**(d) IT and Asset Management Implications**

There are none to be addressed by this report.

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

The proposal will be implemented as soon as it is approved by the Cabinet.

**8. Background Papers**

None.

**Report Author:**

Fiona Wilson – Head of Law

**CABINET**

**24th February 2016**

**Subject: Policy Framework and Budget Setting for 2016/17**

**Cabinet Member: Councillor Stanley – Finance & Resources**

---

**1. Purpose of Report**

- 1.1 This report (including the accompanying document which forms part of this report) submits proposals and recommendations for the Council's Policy Framework and Budget Setting for 2016/17. The Cabinet should consider these and make appropriate recommendations to Council at the meeting to be held later this evening.
- 1.2 At the time of preparing this report for despatch, not all precepting organisations have confirmed decisions on their precepts for 2016/17, although all have provided proposed information. It may therefore be necessary to provide supplementary information on the night of the meeting. This will not affect the Council's own budget or Council Tax deliberations. Their respective deadlines are advised as follows:
  - 11 January – Canvey Island Town Council;
  - 17 February – Essex Fire Authority.
  - 29 January – Police and Crime Commissioner for Essex;
  - 9 February – Essex County Council;
- 1.3 Section 18, of the accompanying report contains information which has currently been received from the preceptors, together with the Borough Council's own information. This page will be amended should the information change.
- 1.4 Local Authorities received confirmation of their allocation within the 2016/17 Local Government Finance Settlement on 8th February 2016.

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

- 2.1 This report is linked to the Council's priority of Efficient and Effective Customer Focused Services. Sound and strategic financial management is essential in order to ensure that resources are available to support the Council's priorities and maintain or improve services.
- 2.2 This report is designed to provide Members with the latest information on the future cost of spending plans and levels of resources.

### 3. Recommendations

#### **Implementation of Council policies and related spending plans**

1. That the Cabinet note the efficiency savings, cost reductions and additional income summarised in table 2.1.
2. That the Cabinet approves the continued funding of priority projects and other items of discretionary expenditure, as set out in table 9.1.
3. That the Cabinet notes the cost pressures and other budget increases (growth) as set out in table 9.2.
4. That subject to recommendations 1 to 3 above, the revenue spending plans for 2015/16 (revised) and 2016/17, set out in section 9, tables 9.3 (summary) and 9.4 (net services expenditure) of the accompanying report, are approved.

#### **Capital spending plans and prudential indicators**

5. That the capital spending plan described in section 11 of the accompanying report (tables 11.2 and 11.3) is approved in respect of 2015/16 (revised) and 2016/17.
6. That it is noted that as stated in paragraph 21 of section 11 of the accompanying report, and based on current plans and proposals, gross external borrowing is not expected to exceed the capital financing requirement in the current or forthcoming two financial years.
7. That as required by section 3 of the Local Government Act 2003 and the Prudential Code for Capital Finance in Local Authorities, the following Prudential Indicators are approved as set out in the appropriate sections of the accompanying report:

<b>Prudential Indicator - Reference to sections 11, 12 and 13 of accompanying report</b>	
Capital expenditure	Tables 11.2 and 11.3
Ratio of financing costs to net revenue stream	Table 11.4
Capital financing requirement	Table 11.5
Authorised limit for external debt	Table 11.6
Operational boundary for external debt	Table 11.7
Incremental impact of capital investment	Table 11.8
Housing Revenue Account limit on indebtedness	Section 11 para 33
Maturity structure of fixed rate borrowing - upper and lower limits	Table 12.2
Upper limits of fixed and variable interest rate exposures	Table 12.3
Maximum period and counterparty limits for specified investments	Table 13.1

8. That the Statement of Minimum Revenue Provision for 2016/17, as stated in paragraphs 34 to 36 of section 11 of the accompanying report is approved.
9. That no new capital proposals are allowed until:
  - the proposal has been evaluated in accordance with all relevant evaluation criteria;
  - the Cabinet has confirmed affordability and compliance with the Prudential Code for Capital Finance in Local Authorities;
  - the Cabinet has considered and approved details of the proposal.
10. That the policies and strategies supporting the budget framework and contained within the accompanying report are approved.

**Statutory report of the Head of Resources**

11. That as required by section 25 of the Local Government Act 2003, the report of the Head of Resources set out in section 16 of the accompanying report in respect of robustness of the estimates is noted.
12. That as required by section 25 of the Local Government Act 2003, the report of the Head of Resources set out in section 8 of the accompanying report in respect of the adequacy of proposed financial reserves is noted.

**Statutory calculations in respect of the budget requirement & Council Tax as required by the Local Government Finance Act 1992, as amended (“the Act”)**

13. That as set out in section 5 of the accompanying report it is noted that acting under delegated authority and in consultation with the Cabinet Member responsible for Finance & Resources and the Head of Resources has calculated
  - a) a tax base for the Borough of Castle Point of **29,722** being the amount **T** required by section 31B of the Act; and
  - b) a tax base for Canvey Island to which a Town Council precept applies as **11,448**.
14. That the following amounts be calculated for the year 2016/17 in accordance with sections 31 to 36 of the Act:

Ref	Amount £	Item
(a)	60,219,900	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish (Town) Councils.
(b)	52,889,910	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	7,329,990	being the amount by which the aggregate at 20(a) above exceeds the aggregate at 20(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.  (Item <b>R</b> in the formula in Section 31B of the act)
(d)	246.62	being the amount at 20(c) above (item <b>R</b> ), divided by item <b>T</b>

		(19(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish (Town) precepts).
(e)	235,943	being the aggregate amount of the (Parish (Town) precepts) referred to in Section 34(1) of the Act.
(f)	238.68	being the amount at 20(d) above less the result given by dividing the amount at 20(e) above by item T (19(a) above), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

15. That the Cabinet recommends that Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2016/17 for each part of its area and for each category of dwelling. This information is included within section 17 of the accompanying report:

Castle Point Borough Council Tax 2016/17, including and excluding Town Council precept, for each of the following categories of dwelling:

<b>Band</b>	<b>Council Tax Including Town Council £</b>	<b>Council Tax Excluding Town Council £</b>
<b>A</b>	172.86	159.12
<b>B</b>	201.67	185.64
<b>C</b>	230.48	212.16
<b>D</b>	259.29	238.68
<b>E</b>	316.91	291.72
<b>F</b>	374.53	344.76
<b>G</b>	432.15	397.80
<b>H</b>	518.58	477.36

16. To note that the County Council, the Policy Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area, as indicated in the table below:

<b>Band</b>	<b>Castle Point Borough Council</b> £	<b>Essex County Council</b> £	<b>Essex Fire Authority</b> £	<b>PCC for Essex</b> £	<b>Total Excluding Town Council</b> £	<b>Canvey Island Town Council</b> £	<b>Total Including Town Council</b> £
<b>A</b>	159.12	753.42	45.12	101.40	1,059.06	13.74	1,072.80
<b>B</b>	185.64	878.99	52.64	118.30	1,235.57	16.03	1,251.60
<b>C</b>	212.16	1,004.56	60.16	135.20	1,412.08	18.32	1,430.40
<b>D</b>	238.68	1,130.13	67.68	152.10	1,588.59	20.61	1,609.20
<b>E</b>	291.72	1,381.27	82.72	185.90	1,941.61	25.19	1,966.80
<b>F</b>	344.76	1,632.41	97.76	219.70	2,294.63	29.77	2,324.40
<b>G</b>	397.80	1,883.55	112.80	253.50	2,647.65	34.35	2,682.00
<b>H</b>	477.36	2,260.26	135.36	304.20	3,177.18	41.22	3,218.40

17. To note that, in accordance with the requirements of section 52ZC of the Act the Council has determined whether its Relevant Basic Amount of Council Tax for 2016/17 is excessive.

For 2016/17, the relevant basic amount of council tax for Castle Point would be deemed excessive if the authority's relevant basic amount of council tax for 2016/17 is:

- (a) 2%, or more than 2%, greater than its relevant basic amount of council tax for 2015/16; and
- (b) more than £5.00 greater than its relevant basic amount of council tax for 2015/16.

<b>Ref</b>	<b>Amount £</b>	<b>Item</b>
(a)	<b>234.09</b>	being the Relevant Basic Amount of Council Tax for 2015/16, excluding local precepts.
(b)	<b>2.0%</b>	being the percentage increase above which the Secretary of State has determined the Relevant Basic Amount of Council Tax for 2015/16 would be excessive.
(c)	<b>238.77</b>	being the amount above which the Relevant Basic Amount of Council Tax for 2016/17, excluding local precepts, would be excessive (rounded down to the nearest penny).
(d)	<b>238.68</b>	being the Relevant Basic Amount of Council Tax for 2016/17, excluding local precepts.

The Relevant Basic Amount of Council Tax for 2016/17 is therefore, not excessive and the duty to make substitute calculations and hold a referendum does not apply (Chapter 4ZA of Part 1 of the Act).

---

#### **4. Background**

4.1 The accompanying report consolidates the following information in one single presentation:

- the background to the key policy issues including the assumptions adopted in formulating the financial forecast around government support, price increases and assessment of minimum level of general fund reserves;
- the Council's financial targets and the medium term financial forecast;
- revenue and capital spending plans;
- prudential indicators;
- the various policies and strategies which support the budget framework;
- the statutory budget and Council Tax calculations required for 2016/17.

#### **5. Proposals**

5.1 The key features of the budget proposals are summarised below:

- The budget is supported by Directorate and Service Action Plans which support delivery of the Council's key priorities.
- The budget for 2016/17 is balanced, meaning that the Council does not need to rely on the use of reserves to meet ongoing spending plans during this year.
- The level of general reserves planned for the end of the 2016/17 financial year exceed the minimum recommended level of **£2.7m**.
- The budget continues to support priority services.
- Efficiencies and/or additional resources are required to deliver a balanced budget and maintain/restore reserves to the recommended minimum levels for years 2017/18 and beyond.

#### **6. Corporate Implications**

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

6.1 The Council must make certain statutory calculations in relation to the Council Tax requirement for 2016/17. These are set out in full in the Policy Framework and Budget Setting 2016/17 report attached.

6.2 The tables shown at recommendations 15 & 16 set out the proposed Council Tax charges to be made to residents in respect of the Borough Council, the Town Council and the other precepting authorities.

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

6.3 This report is presented by me in my role as "section 151 officer" – the officer appointed to have responsibility for the Council's financial administration. It covers all those matters required by legislation for setting a budget and Council Tax.

6.4 The Cabinet's attention is drawn particularly to sections 8 and 16 of the accompanying report containing statutory reports that I have a duty to provide in



respect of the adequacy of reserves and the robustness of spending plans. The Council must have regard to this advice before making the decisions required by this report.

- 6.5 The proposals in this report are based on a Council Tax increase of **1.96%** resulting in the Borough Council Band D charge of **£238.68**.

#### Council Tax Referendums

- 6.6 Schedule 5 of the Localism Act introduced a new chapter into the 1992 Act, making provision for Council Tax referendums to be held if an authority increases its Council Tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons. The Localism Act also abolished the capping regime in England.
- 6.7 In summary, the principles are that the Council would be required to seek the approval of the local electorate in a referendum if, compared with 2015/16, it set Council Tax increases of **2.0%** or **£5** whichever is the greater.
- 6.8 The Council's calculations in this regard are given at recommendation 17 above.

#### **c) Human resource implications**

- 6.9 There are no new implications within this report.

#### **d) Equality implications**

- 6.10 There are no new recommendations within this report which require an equality impact assessment to be undertaken.

#### **e) Timescale for implementation and risk factors**

- 6.11 Having considered this report, the Cabinet should submit its recommendations to the Council meeting to be held later this evening. At this meeting, the Council will also set the full amount of Council Tax, to include the precepts issued by Essex County Council, Essex Fire Authority, Police and Crime Commissioner for Essex and Canvey Island Town Council (where appropriate).
- 6.12 Although the date of the Council meeting is well within the legal deadline for setting the budget, it is the latest date that will allow adequate preparation for the timely despatch of Council Tax bills to give due notice for first instalments due on 1 April.

### **7. Conclusion**

- 7.1 The recommendations set out above are classified as to:
- those required to implement Council policies and to approve the related spending plans;
  - those required in respect of capital spending plans and treasury management;
  - those requiring the Council to have regard to the statutory reports of the Head of Resources;
  - the statutory calculations in respect of the budget requirement and Council Tax.

**Background Papers:**

- Annual Investment Strategy for 2015/16.
- Report of the Head of Resources to Cabinet dated November 2015 – Budget and Policy Framework for 2016/17.
- DCLG notification(s) dated 17 December 2015 containing 2016/17 Local Government Finance Settlement, confirmed 8 February 2016 and Provisional New Homes Bonus allocations.

**Report Author:** Chris Mills – Head of Resources, Section 151 Officer