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CABINET AGENDA

Date: Wednesday 20th October 2021

Time: 7.00pm NB Time

Venue: Council Chamber

This meeting will be webcast live on the internet.

Membership:

Councillor Sheldon	Chairman - Leader of the Council
Councillor Cutler	Waste & Environmental Health
Councillor Mrs Egan	People – Health & Wellbeing
Councillor Hart	Place – Infrastructure
Councillor Isaacs	People – Community
Councillor Johnson	Resources
Councillor Mrs Thornton	Growth - Economic Environment & Sustainability
Councillor Varker	Special Projects (Deputy Leader of the Council)

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Reference: 4/2021/2022
Publication Date: Tuesday 12th October 2021

**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 22nd September 2021.

4. Forward Plan

To review the Forward Plan.

5. Youth Climate Ambassador Scheme

(Report of the Cabinet Members – Growth Economic Environment & Sustainability People Community)

6. Budget and Policy Framework for 2022/23

(Report of the Cabinet Member – Resources)

7. Annual Report on the Treasury Management Service and Actual Prudential Indicators 2020/21

(Report of the Cabinet Member – Resources)

8. Authority to Represent the Council

(Report of the Cabinet Member – Resources)

9. Planning Policy Update – Regulation 16 consultation on the Draft Castle Point Borough Community Infrastructure Levy Charging Schedule

(Report of the Leader of the Council)

10. Afghan Local Employed Staff (LES) Relocation Scheme

(Report of the Leader of the Council)

11. Commercial Strategy

(Report of the Cabinet Member – Special Projects)

12. Matters to be referred from /to Policy & Scrutiny Committees

13. 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)

There were no items at time of publication of this agenda.



CABINET



22ND SEPTEMBER 2021

PRESENT:

Councillor Sheldon	Chairman – Leader of the Council
Councillor Cutler	Waste & Environmental Health
Councillor Mrs Egan	People – Health & Wellbeing
Councillor Hart	Place – Infrastructure
Councillor Isaacs	People – Community
Councillor Johnson	Resources
Councillor Mrs Thornton	Economic Development Delivery
Councillor Varker	Special Projects – Deputy Leader of the Council

ALSO PRESENT:

Councillors: Acott, Fortt, S Mountford, C Mumford, S Mumford and Sach.

20. MEMBERS' INTERESTS:

No declarations were made.

21. MINUTES:

The Minutes of the Cabinet meeting held on 21.07.2021 were approved as a correct record.

22. FORWARD PLAN:

To comply with regulations under the Localism Act 2011, the Leader presented a revised Forward Plan to the meeting which outlined key decisions likely to be taken within the next quarter of 2021. The Plan was reviewed each month.

Resolved: To note and approve the Forward Plan.

23. CORPORATE PERFORMANCE SCORECARD QUARTER 1 2021/22

Cabinet considered the performance figures for the Corporate Performance Scorecard for Quarter 1 2021/22. In discussion of the report Members took the opportunity to congratulate and thank all staff for their positive response in maintaining service performance during the pandemic

Resolved - to note the report and continue to monitor performance.

24. CORPORATE PLAN 2021 - 24

Cabinet received a report presenting the draft Corporate Plan for approval for submission to Council.

The plan was the product of ongoing collaboration during 2020 and the first half of 2021 between Members and Officers of the Council, further refined through engagement with the Council's Scrutiny Committees and consultation with residents, partners and businesses in the Borough.

This new Corporate Plan had deliberately widened its focus beyond the services that the Council provides directly. Recognising that some of the challenges people face in their lives cannot be addressed by a single entity, working in partnership with others in the public, private, community and voluntary sectors had become an increasing priority to ensure that, collectively, these organisations operating in the Borough have a positive impact on people's lives.

The Corporate Plan before Cabinet set out the medium-term priorities for the Council: Economy and Growth, People, Place and Environment alongside a series of objectives and targets to be delivered over the lifetime of the plan. These priorities, objectives and targets based on an analysis of needs and issues for the Borough as well as consultation results.

There was a high-level roadmap of activities to deliver the priorities in the Corporate Plan as well as looking towards the medium and long term. The annual initiatives for 2021/22, the first year of this plan were set out and would be subject to a refresh each year.

The Corporate Plan also included an annual report detailing the Council's achievements over 2020/21.

Members discussed the report and acknowledged the work undertaken to bring forward the plan thanking in particular Ben Brook Strategy, Policy and Performance Manager.

Resolved – to recommend the Corporate Plan to Council for approval

25. FINANCIAL UPDATE

Cabinet considered a report providing an update on the latest 2021/22 forecast in respect of the General Fund (GF); developments of a financial nature, which may impact on the Council's financial plans in respect of either the General Fund, Housing Revenue Account (HRA) or Capital Programme and an update on developments in relation to the impacts of COVID-19 on the Council and the assistance received from Government.

Resolved:

To note the report and 2021/22 financial forecast at Appendix 1.

26. ASSOCIATION OF SOUTH ESSEX LOCAL AUTHORITIES (ASELA) UPDATE AND APPOINTMENT OF A JOINT COMMITTEE

Cabinet considered the report from ASELA providing an update on work being undertaken and considered the future governance arrangements for the

Association of South Essex Local Authorities (ASELA) seeking agreement to move to a statutory Joint Committee.

Presentations had been made to all Political Groups on the Council in advance of the report providing an update on the work undertaken by ASELA and the proposal to formalise the governance arrangements for ASELA and seek agreement to move to a statutory committee.

ASELA was a partnership of neighbouring councils that had come together to deliver growth and prosperity in the region. The local authority partners were Basildon, Brentwood, Castle Point, Rochford, Southend-on-Sea, Thurrock, and Essex County Council.

(It was highlighted that ASELA was not about delivering homes – although initially established to drive the establishment of a Joint strategic plan across member authorities ASELA had evolved and this was no longer the case.)

ASELA had spent the past three years looking at how working together across local government boundaries would help deliver improved infrastructure and economic growth.

ASELA aimed to support the south Essex region to be a UK leader in economic recovery, and drive sustained economic growth and prosperity within its communities. There was a bold and ambitious plan to create greater prosperity and quality of life for all its residents and for the benefit of the UK. Part of this plan would be to ensure its businesses and residents recover from the COVID-19 pandemic, improve the economy locally and nationally.

On 31 July 2020, ASELA submitted a Growth and Recovery Prospectus to central government. The ambition outlined ten delivery programmes across five key themes (Economy, Transport & Connectivity, Infrastructure & Housing, Climate & Environment, and Vibrant Communities) and would see south Essex contribute an additional £15 billion to the UK economy and create 100,000 new jobs by 2050.

These programmes would directly and indirectly benefit Castle Point and its residents.

Since the submission of the ASELA Growth and Recovery Prospectus last year there has been substantial progress on delivery of five 'Anchor Programmes'. In 2021, ASELA would enhance focus on delivery of the five programmes:

1. South Essex Estuary (SEE) Park – providing a parkland setting across 1/3 of South Essex.
2. Superfast Digital – to provide every household, business and community facility with highspeed digital connectivity by 2025
3. Technical University – Partnership with employers, providers and stake holders to provide skills for high skilled jobs
4. Thames Freeport - driving economic growth across the Thames estuary
5. Infrastructure and Housing – ensuring infrastructure is delivered to support homes across the region

The latest position on these was set out in an appendix to the report. These programmes combine to provide strategic place shaping and delivery on a

regional scale that was not possible by any organisation or agency acting alone or in sub partnerships.

By working together across all South Essex Local Authorities, the area had been able to create a compelling case for a trail blazing strategic place-based partnership with Homes England. Now agreed in principle, by the Homes England Executive Board, it would be just one of two such partnerships in the country. A Memorandum of Understanding was being prepared for ASELA's consideration, along with a joint Business Plan. Homes England remained committed to provide capacity funding for this programme for 2021/22 and the outputs of the joint work on the Business Plan would also feed into the Spending Review in the Autumn.

There is now a clear requirement for governance arrangements to oversee these programmes, to provide transparency over decision making, to demonstrate to investors that South Essex is "investor ready" and provide the accountability arrangements for investment received. South Essex Leaders have agreed that the most appropriate form of governance in this respect would be a Joint Committee. Governing Documents for the Joint Committee were included with the report before Cabinet.

Cabinet considered the reasons for the recommendation to provide ASELA with the governance arrangements required to enable delivery of the Growth and Recovery Prospectus and provide enhanced transparency and accountability in the new delivery stage of its work programme.

Cabinet considered alternative options to do nothing was not recommended continuing with the existing informal arrangements did not support ASELA's ability to secure large scale investment from Government and the private sector. Nor did it provide transparency of decision making or accountability for delivery.

The option of being a co-opted member would mean that the Council would not benefit from any of the programmes funding or investment.

Members discussed and acknowledged the benefits of moving to more formal arrangements acknowledging the benefits of joint working.

Resolved:

1. To note the updates provided in this report.
2. To formally agree to become a Member of the Association of South Essex Local Authorities (ASELA) Joint Committee in accordance with Section 101 of the Local Government Act 1972, to oversee ASELA and provide enhanced transparency and accountability in the new delivery stage of its work programmes.
3. To approve the governance arrangements of the Joint Committee in accordance with governing documents set out in Appendix 1.
4. To appoint the Leader of the Council as the Council's representative on the Joint Committee, and to appoint the

Deputy Leader as the Substitute Member, as set out in the governing documents.

27. PETITION

Cabinet considered a report on receipt of a petition submitted to Council through 38 degrees an online campaigning organisation. The petition contained 1,616 signatures of 2000. Cabinet considered the response or action required.

The Petition was addressed to Government and concerned a local political party.

Cabinet noted the actions which had been taken to address in full the recommendations of the Planning Peer Review referred to in the Petition.

Resolved –

to refer the Petition to Government together with a note of the actions taken by Council.

28. MATTERS TO BE REFERRED FROM / TO POLICY & SCRUTINY COMMITTEES

There were no matters.

29. MATTERS TO BE REFERRED FROM / TO THE STANDING COMMITTEES

There were no matters.

Chairman



Castle Point Borough Council

Forward Plan

OCTOBER 2021

CASTLE POINT BOROUGH COUNCIL

FORWARD PLAN

OCTOBER 2021

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.

Date	<u>Item</u>	Council Priority	Decision by Council/ Cabinet	Lead Member(s)	Lead Officer(s)
October 2021/ February 2022	<u>Budget and Policy Framework</u> To make recommendations to Council on the Council tax and budget setting.	All	Cabinet/ Council	Resources	Strategic Director (Resources)
October 2021	<u>Planning Policy Update</u> -to note	Economy and Growth	Cabinet	Growth – Leader of the Council	Head of Place & Policy
October 2021	<u>Community Infrastructure Levy</u> – to approve consultation on draft Levy rates	Economy and Growth	Cabinet	Leader of the Council	Head of Place & Policy
October 2021	<u>Midterm Treasury Management and Investment Strategy Report</u> – for review	Enablers – Resources	Cabinet	Resources	Strategic Director (Resources)
November 2021	<u>Commercial Strategy</u>	Economy and Growth – Enablers - Resources	Cabinet	Special Projects	Strategic Director (Resources)
November 2021	Local Council Tax Scheme 2022 /23 Review – for review & approval	Enablers – Resources People	Cabinet/ Council	Resources	Head of Customer and Digital Services
November 2021	Waste Collection Arrangements	Environment	Cabinet	Waste &Environmental Health	Head of Environment
November 2021	<u>Corporate Performance Score Card Quarter 2</u>	All	Cabinet	Special Projects	Strategy Policy & Performance Manager
December 2021	<u>Housing Management System</u>	Enablers – Resources People	Cabinet	Leader of the Council	Head of Housing

CABINET

20th October 2021

Subject: Proposed	Proposed Youth Climate Ambassador Scheme
Cabinet Member:	Councillor Thornton – Growth – Economic Environment & Sustainability

- 1. Purpose of Report**
Cabinet is invited to support the development of a Youth Climate Ambassador Scheme.
 - 2. Links to Council's priorities and objectives**
The report supports the Council's Environment Priorities and Objectives
 - 3. Recommendations**
To endorse and support the development of a Youth Climate Ambassador Scheme.
-

4. Background

An approach has been made by the Castle Point Climate Change Action Group (CPCAG) a local organisation which was created to:

- To educate ourselves and our fellow residents about the existential threat posed by global warming, human impact and biodiversity loss.*
- To increase understanding of, and support for, the societal and economic changes needed to mitigate climate change.*
- To consider the ways that we, as residents of Castle Point, can change our habits and behaviours to make our daily lives more sustainable.*
- To work with local residents, local government, businesses and key stakeholders as necessary to achieve the above aims*

A copy of the Group's Mission Statement is attached CPCAG are keen to develop partnerships with other Stake holders to take forward their aims.

CPCAG are part of the Castle Point Climate Forum, an informal collaboration including Council members and lead officers from the Council's Environment Department. The aims of the Forum are three-fold:

1. To suggest and participate in the exploration of suitable and financially feasible policies that would assist the Council in its goal of cutting carbon emissions down to net zero

2. To cooperate in the establishment and promotion of community initiatives to help local residents decarbonise their lifestyles
3. To act as a one stop shop for information, advice and resources for residents on climate change and low carbon lifestyles

This partnership working has been instrumental in the development of our Climate Action Plan and CPCAG has now approached the Council to support the development of a Youth Climate Ambassador Scheme.

5. Proposals

Key features are set out below:

Young people can be great influencers both for their own peer group and others. It is therefore suggested that Castle Point Borough Council, assisted by the Castle Point Climate Action Group, should establish a “task force” of young volunteers, called Youth Climate Ambassadors, who will be proactive in raising awareness amongst members of the public of the potential impact of climate change and in encouraging changes in lifestyle.

- The Ambassadors will engage in public events but will also have an online presence and use social media (particularly important at this time of national lock-down).
- The Ambassadors will be recruited from schools and/or other youth organisations, and the scheme will be an opportunity for young people with an interest in the issue of climate change to become active in seeking and promoting solutions within their community.
- The Ambassadors can also act as a means of communication between the public and the council, helping to publicise council actions whilst also keeping councillors and council officials informed of the latest research and public concerns.

Objectives of the Scheme

- To raise awareness of climate change issues amongst members of the public in general
- To educate young people about climate change and environmentally friendly alternatives within educational settings.
- To encourage members of the public to make environmentally friendly changes to their lifestyles.
- To help publicise the Council’s Climate Strategy and communicate their action plans and achievements to the public.
- To identify concerns about the local environment raised by members of the public and communicate them to the Council.
- To undertake research regarding the latest scientific evidence and initiatives and communicate these to the Council
- To make recommendations to the Council for actions

Initial Organisation

If this scheme is to be progressed, it will require the positive support of the Borough Council so that the young people who take part will feel that they are being heard by those in Authority. Ideally, it would be useful to recruit one

Ambassador per ward, but this would result in a group of 14 which may be unwieldy, so one Ambassador per two wards might be a better option. It is suggested that the Ambassadors be over 16 years of age, firstly because this makes safeguarding easier; secondly because, as young adults, they will have a greater capacity to understand complex issues; and thirdly because, over time, the group should become self-organising.

It is envisaged that the Ambassadors would meet to discuss issues and plan activities and would report regularly to the Council on their findings. Whilst the Ambassadors would act as the “steering committee”, children of all ages could be encouraged to participate through appropriate campaigns.

The Ambassadors will need to understand that they are not just ambassadors for the climate but also for the Council. It is important, therefore, that they behave professionally and positively at all times and respect the policies of the Council. They will therefore require training.

Training

The Ambassadors will require training in a range of skills:

- Latest research on climate science
- Council policies and procedures
- Negotiating and Influencing Skills
- Presentation Skills
- Customer Service Skills
- Safeguarding and Health and Safety
- Bid writing
- Raising awareness of other environmentally active groups

Applications

Applications to become Ambassadors could be encouraged through schools, youth organisations, the Council and CPCAG websites, and appropriate social media.

Any applicants will need to be interviewed carefully. The status of the scheme will depend upon the professional behaviour of the Ambassadors so the interview process will need to ensure that applicants:

- are genuinely committed to tackling the issues of climate change
- are willing and able to commit the time and energy involved.
- have a skill set that will be useful to the operation of the scheme
- will benefit from the training offered
- are committed to a positive and professional approach.
- are comfortable with working in teams.

Operations

The core activity of the Ambassadors will be to encourage individual citizens to make a commitment to change their lifestyle to reduce their carbon footprint. Advice and guidance will be provided on how individuals might achieve their commitment to reduce their carbon footprint – i.e. by avoiding short car journeys, reducing the temperature on their heating thermostat, and swapping meat dishes for vegetarian options on some days.

It will be important to allow the Ambassadors the flexibility to devise their own strategies and so the project proposal should not be too prescriptive. However, the activities that the Ambassadors engage in might include the following (subject to lock-down)

- Presentations in schools, colleges and other community groups
- Leaflet drops and displays in public places
- Social media campaigns
- Developing a website
- Social events to support those who have committed to/achieved their targets.

Liaison with, and presentations from, other environmental groups • Research into initiatives and best practice achieved by other organisations • Discussion groups to devise and recommend actions for public and Council. • Meetings with Councillors & Officers to present findings/receive feedback.

Essex County Council's Youth Services are happy to develop a partnership with CPCAG and Castle Point Council to facilitate this scheme. The support of Youth Services is obviously hugely important as their Officers have the necessary organisational and professional skills to make the project viable.

CPCAG are seeking the Council's support for the scheme. The costs to Castle Point Council if the scheme goes ahead should be minimal, as Essex Youth Services and CPCAG are happy to provide the funding, venues, and appropriate staff resources.

The Climate Ambassador Scheme is designed to be constructive and positive in its actions. It has been suggested that Councillors and or Council Officers would meet with the Climate Ambassadors from time to time with the Council giving guidance on areas for research and being consulted on activities being planned through the scheme.

Cabinet will recognise the opportunity for engagement with the Council's Climate Action Group to take forward initiatives to deliver the Council's Climate Action Plan. Indeed, the involvement of the Group would be welcomed.

6. Corporate Implications

a. Financial Implications

The costs to Castle Point Council if the scheme goes ahead should be minimal, as Essex Youth Services and CPCAG are happy to provide the funding, venues, and appropriate staff resources.

b. Legal Implications

Subject to support for the scheme, CPCAG would like permission to use the Council logo which would be appropriate and demonstrate Council support.

c. Human resources and equality implications

Essex Youth Services and CPCAG are happy to provide appropriate staff resources. Although assistance may be required with meeting facilities.

An Equality Impact Assessment has not been completed as this report seeks support for the development of the scheme. However, there is a potential for a positive impact particularly for young people.

d. Timescale for implementation and risk factors

The report seeks support for the development of the Scheme.

7. Background Papers:

CPCAG – Mission Statement

Castle Point Ambassador Scheme

Email correspondence 14.9.2021- 2.10.2021

Report Author:

Ann Horgan – Head of Governance.

CASTLE POINT CLIMATE ACTION GROUP

MISSION STATEMENT

What Is the Purpose of the Group?

Castle Point Climate Action Group was created:

- To educate ourselves and our fellow residents about the existential threat posed by global warming, human impact and biodiversity loss.*
- To increase understanding of, and support for, the societal and economic changes needed to mitigate climate change.*
- To consider the ways that we, as residents of Castle Point, can change our habits and behaviours to make our daily lives more sustainable.*
- To work with local residents, local government, businesses and key stakeholders as necessary to achieve the above aims*

Who is the Group For?

Anyone who is concerned about climate change, regardless of age, political affiliation, race, or sexual orientation. Whilst the Group welcomes members who already understand the dangers of global heating, it is particularly keen to attract residents who do not have that knowledge, but want to learn more about the science underlying climate change and what they can do to protect themselves, their families, and their community from the worst effects of climate breakdown.

What are our Core Values?

- To show respect for our world and our environment, and for all the species that share our planet with us, and to work towards creating a safe and sustainable future for everyone.*
- To show respect for our fellow members, regardless of race, sexual orientation or political affiliation*
- To provide a nurturing and non-judgemental forum where people can learn about climate change and other environmental topics, and debate and explore the issues without fear of being ridiculed or abused.*
- To value and disseminate information based on scientific research and verifiable data.*

How Will We Achieve Our Aims?

- By engaging with residents through events, social media and other means to explain the climate and biodiversity crises, and to encourage them to become agents of change.*
- By offering advice to households and businesses on reducing their carbon footprint and their environmental impact.*
- By lobbying and, where appropriate, cooperating with Castle Point Council and ECC to achieve net zero carbon emissions by the earliest possible date.*
- By cooperating with local charities and NGO's in respect of climate and biodiversity campaigns.*

CABINET

20th October 2021

Subject: Budget and Policy Framework for 2022/23

Cabinet Member: Councillor Johnson – Resources

1. Purpose of Report

This report sets out the proposed Budget and Policy Framework for 2022/23. It takes account of the requirements of the Constitution, the Financial Planning Strategy and statutory requirements for calculating the budget requirement and setting the Council Tax.

2. Links to Council's priorities and objectives

The agreement of the Budget and Policy Framework provides the Council with a robust framework to improve services to residents by directing resources towards the Council's priorities.

3. Recommendation

That the proposed Budget and Policy Framework for 2022/23 is approved.

4. The Budget and Policy Framework

4.1 The Council's business planning framework consists of a number of policies, plans and strategies. These provide the mechanism through which the Council establishes its aims and objectives. Each plan or strategy should identify how the aims and objectives will be achieved and delivery monitored, as well as provide the link between Council services and financial plans. A list of the Council's policies, plans and strategies included in this framework is shown in Annexe B to this report.

4.2 The Council's budget framework is set out at Annexe A. It is based on the requirements of the Financial Planning Strategy. The key steps in the budget process can be summarised as follows:

- **draft Service Plans;**
- **draft budgets prepared on a no growth basis;**
- **identification of growth and efficiency savings (options) linked to Council priorities and plans**
- **interpretation of government announcements in respect of acceptable council tax rises and provision of funding;**
- **agreement of final Service Plans;**
- **budget and Council Tax setting at Full Council.**

5. Consultation

- 5.1 The Council will publish the Policy and Budget Framework for 2022/23 (this report and annexes).
- 5.2 The subsequent period up to the February Council meeting will be available for final policy considerations by Members.

6. Conclusion

- 6.1 Cabinet are requested to approve the proposed Budget and Policy Framework.

7. Corporate Implications

a. Financial implications

This report sets out the Budget and Policy Framework – financial implications as detailed in the report and annexes.

b. Legal implications

This report has been reviewed by the Strategic Director (Resources) in her capacity as the Council's Section 151 officer – the officer appointed to have responsibility for the Council's financial administration.

c. Human resources and equality

There are no new human resource or equality implications arising from this report.

d. Timescale for implementation and risk factors

The Cabinet should approve the proposed Budget and Policy Framework so that it can be available for public consultation in accordance with the Council's constitution. The approval of the framework also ensures that there are clear accountabilities and timescales in place.

8. Background Papers:

Constitution

Policy Framework and Budget Setting for 2021/22

Report Authors: Ben Brook bbrook@castlepoint.gov.uk

The Budget Framework for 2022/23

No.	Activity	Date
1.	Develop Service Plan template and distribute to managers setting out timescale for completion.	October 2021
2.	Formation of efficiency savings options linked to Council priorities and identified through Service Planning process.	October 2021
3.	Draft budget prepared on a “no growth” basis.	October 2021 - January 2022
4.	Consideration of government announcements in respect of acceptable levels of Council Tax increase and provision of grant funding to the Council.	October 2021 - January 2022
5.	Draft Service Plans reviewed and signed off by the Service Manager and Strategic Director / Head of Service.	January 2022
6.	Discussion of priorities, objectives and project work streams in emerging Service Plans at Corporate Management Team.	January 2022
7.	Budget option appraisal with Cabinet members.	November 2021 - January 2022
8.	<p>Cabinet makes final recommendations to Council on:</p> <ul style="list-style-type: none"> • Corporate priorities and annual objectives • Capital Strategy • Treasury Management Strategy Statement • Investment Strategy • Prudential indicators • The robustness of budgets • Adequacy of reserves • The budget (revenue and capital) and Council Tax <p><i>The Cabinet will now make its recommendations on the allocation of financial resources to services</i></p>	February 2022
9.	<p>Cabinet agrees HRA budget and sets rent levels.</p> <p><i>Council to delegate full powers to the Cabinet. HRA budget subject to compliance with legal and prudential guidelines.</i></p>	February 2022
10.	<p>Council makes statutory budget calculations and sets Council Tax.</p> <p><i>Council will consider the recommendations from Cabinet and will make final decisions.</i></p>	February 2022

List of the Council's policies, plans and strategies included in this framework

Policy Title	Brief Description
Acquisition and Disposal of Council Owned Land	Sets the policies, principles and procedures to be followed when considering whether Council owned land should be disposed of or retained for service provision.
Asset Management Plan	Sets out plans and how the Council maintains its corporate assets (land and buildings) in a condition that is fit for the purpose of delivering services to the community and how it will respond to any changes in the way assets need to be used to provide services.
Budget and Policy Framework – see also Constitution	Describes the procedures and principles used by the Council to establish and/or vary a budget and policy framework.
Canvey Town Centre Master Plan Supplementary Planning Document (SPD)	Sets out a plan for the regeneration of Canvey Town Centre that seeks to improve sustainability on Canvey Island generally by providing local residents with a high-quality town centre that meets their shopping, leisure and community needs and provides new jobs and home.
Combined Safeguarding Policy and Strategy for Children Young People and Vulnerable Adults	The Children's Act 2004 Children and Learning Act 2009 The Counter Terrorism and Security Act 2015 The Care Act 2014
Communication Strategy	Shows how the Council will work closely with other organisations in the borough to achieve a free flow of appropriate information between the Council and its stakeholders, including staff, councillors, residents, businesses, partners and other service users. An appendix to the Customer First Strategy
Community Safety Partnership Plan (Strategic Assessment)	<p>Achieving a sustainable reduction in crime within the Borough both by tackling crime and by identifying and addressing its causes.</p> <p>Ensuring crime and disorder does not have a disproportionate impact on vulnerable groups.</p> <p>Tackling specific crime and disorder problems and problem areas.</p>

Policy Title	Brief Description
Complaints Policy	Sets a clear framework so that complaints are dealt with efficiently and effectively to ensure that customers have confidence in the way that complaints will be handled. An appendix to the Customer First Strategy
Constitution	<p>Describes how the Council does business includes:</p> <p>Procedural rules for access to information; budget and policy framework; overview and scrutiny; financial; officer employment and contracts.</p> <p>Protocols for Planning and the Monitoring Officer.</p> <p>Codes of conduct for Planning matters; Staff and Members.</p>
Contract Procedural Rules – see also Constitution	Describes how the Council does business on matters relating to the placing and letting of contracts.
Corporate Business Continuity Plan	Generic guidance on how the Council may manage a major corporate incident which restricts the normal day-to-day running of its business.
Corporate Plan	Sets out the Council's Priorities, objectives, key milestones and targets. Includes an annual report on progress towards achieving aims.
Counter Fraud, Bribery & Corruption Policy Statement and Strategy	<p>Sets out how the Council will:</p> <ul style="list-style-type: none"> • acknowledge its responsibility for countering fraud and corruption • identify the fraud and corruption risks • develop an appropriate counter fraud and corruption strategy • provide resources to implement the strategy • take action in response to fraud and corruption.
Counter Money Laundering Policy and Strategy	Sets out the actions the Council will take to mitigate the risk that money could be laundered through its systems.
Cyber Security Strategy	Sets out the actions taken to safely and securely manage and store our data, systems and network

Policy Title	Brief Description
Data Protection Policy	this document sets out Castle Point Borough Council's policy on the retention and process of personal information.
Developer Contributions SPD	<p>Sets out requirements for the provision of Section 106 Contributions towards affordable housing and other infrastructure requirements related directly to the impacts of development, as part of planning applications.</p> <p>The new Local Plan will set out the infrastructure requirements to accommodate growth and the obligations on allocated sites for funding. In addition, it will provide a framework for the introduction of the Community Infrastructure Levy (CIL).</p>
Documentation Retention Policy	This document states Castle Point Borough Council's criteria for the retention of documents containing personal information
Emergency Planning & Business Continuity Framework	The EP/BC framework describes how the Council will go about its duty to be suitably prepared for dealing with emergencies, as well as disruptions to the organisation's ability to deliver its critical services to the public.
Emergency Planning & Business Continuity Policy	The EP/BC policy sets out the principles for the establishment and revision of Emergency Planning and Business Continuity Management
Emergency Response Plan	The Emergency Response Plan outlines the Council's core response to emergencies and major incidents. It is supported by specific plans dealing with particular hazards, functions and statutory responsibilities.
Equality Scheme 2019-23	Describes the way in which the Council deals with equality and diversity in its corporate activities and the delivery of services.
Financial Procedure Rules and Detailed Financial Regulations – see also Constitution	Describes how the Council does business on financial matters.

Policy Title	Brief Description
Gambling Licensing Policy Statement	Statement of Licensing Policy produced by Castle Point Borough Council under the Gambling Act 2005 and it forms the basis for all gambling related licensing decisions taken by the Council as the Licensing Authority.
Hackney Carriage & Private Hire Policy	This document contains guidance and information for the holders of and applicants for hackney carriage/private hire vehicles and driver's licences and the licences to operate private hire vehicles within the Castle Point Borough Council area.
Hadleigh Town Centre Master Plan	Sets out a plan for the regeneration of Hadleigh Town Centre that seeks to improve sustainability of Hadleigh generally by providing local residents with a high-quality town centre that meets their shopping, leisure and community needs and provides new jobs and homes.
Health & Safety Policy Statement and Strategy	This is a declaration of the Council's intent to establish a safe and healthy working environment for all of its undertakings.
Homelessness and Rough Sleeping Strategy	Sets out an analysis of issues regarding increasing homelessness in the Castle Point area and a range of actions to prevent and relieve homelessness.
Housing Asset Management Plan	Sets out the policy and plan for capital management of housing stock.
Housing Strategy	Sets out the strategic approach to Housing
HR Strategy	<p>Establishes workforce planning to ensure adequate staff resources and succession planning.</p> <p>Aims to attract and retain high calibre candidates for employment.</p> <p>Train and develop staff to maximise their potential</p> <p>Offer equality of opportunity to all staff and recognise the benefits of diversity.</p>
Information and Communication Strategy (ICT)	This ensures that the IT systems and infrastructures support the business objectives. It covers the planning of new systems, their procurement, and the management and control of implemented systems. It sets out the organisation and management structures, and where responsibilities lie.

Policy Title	Brief Description
Information Security Policy	Sets out responsibilities in relation to Information Security
Internal Audit Charter, Strategy and Audit Plan	<p>The Charter sets out the purpose, authority and responsibility of the Council's Internal Audit function, in accordance with the UK Public Sector Internal Audit Standards (the Standards) and the CIPFA Local Government Application Note.</p> <p>The Strategy sets out how the service will be delivered and developed in accordance with the Charter and how it links to the delivery of the Council's Aims, Targets and Objectives.</p> <p>The Audit Plan sets out the work to be delivered each year, that will inform the Annual Head of Internal Audit Opinion.</p>
Licensing & Gambling Enforcement Policy	The purpose of the enforcement policy is to ensure compliance with the Licensing Act 2003 and the Gambling Act 2005, and to ensure the promotion of the licensing objectives under these two acts.
Local Code of Governance	This statement explains how the Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.
Local Development Scheme (LDS)	<p>Enables interested parties to find out about the Council's Planning Policies.</p> <p>Sets out a timetable and key milestones for the preparation of documents for the LDF.</p> <p>Shows how the preparation of the Development Plan Documents (DPDs) will be resourced.</p>
Local Plan 1998	Sets out the policies for achieving a balance between appropriate development opportunities and the protection and enhancement of the built and natural environment.
New Local Plan	Sets out a strategic policy to direct the pattern of development within Castle Point over the period 2018 – 2033, and the development management policies required to ensure that planning decisions secure this pattern of development.
Private Sector Housing Strategy	The Private Sector Housing Service Plan aims to present some of the key challenges facing the

Policy Title	Brief Description
	Council regarding maintaining and improving housing conditions in the Borough
Procurement & Commissioning Policy	Defines the Council's policy objectives, the strategy to deliver these and supporting principles. Procurement is defined as the acquisition of goods, services and construction projects from third parties.
Residential Design Standards SPD	Sets out design requirements for residential development proposals.
RIPA Policy Statement	To reduce the risk of breaching human rights and to assist staff involved in interception and surveillance activity in complying with the requirements of the Regulation of Investigatory Powers Act (RIPA) 2000.
Risk Management (RM) Policy and Strategy	<p>Sets out how the Council will:</p> <p>maintain robust risk management arrangements that make a positive contribution towards the achievement of its corporate priorities and objectives and maximise the opportunities to achieve its vision</p> <p>proactively manages key external and internal risks, promoting the principles of effective risk management throughout the organisation.</p>
Scrap metal Dealers Act 2013 Policy	This document states Castle Point Borough Council's Policy on the regulation of Scrap Metal Dealers. The Scrap Metal Dealers Act 2013 received Royal Assent on 28 February 2013 and came into force on 1 October 2013
Statement of Community Involvement (SCI)	Enables local communities to know how and when they will be involved in the preparation of planning policy documents and how they will be consulted on planning applications.
Statement of Licensing Policy	The 2003 Act requires that the Council publishes a Statement of Licensing Policy that sets out the policies the Council will generally apply to promote the licensing objectives when making decisions on applications made under the Act.

Policy Title	Brief Description
Treasury Management and Investment Strategies	Covers the management of the Council's cash flows, its banking, borrowing and investment activities; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
Whistle blowing Policy	Sets out the Council's arrangements whereby any serious concerns that employees, workers or contractors have about any aspect of service provision or the conduct of Officers or Members of the Council or others acting on behalf of the Council can be reported under the Whistle blowing Policy

CABINET

20th October 2021

Subject: Annual Report on the Treasury Management Service and Actual Prudential Indicators 2020/21

1 Purpose of Report

The annual treasury report is a requirement of the Council's reporting procedures. It covers both the treasury activity and the actual Prudential Indicators for 2020/21.

The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

2 Links to Council's priorities and objectives

The scrutiny and approval of the Council's Treasury Management activity is linked to the Council's priority as an Enabler - Resources through sound financial management.

3 Recommendations:

That the Treasury Management Activity Report for 2020/21, including the prudential indicators reported in Annexe D, is noted.

4 Background

- 4.1 The 2020/21 Treasury Management Strategy summarises the Council's obligations defined in the Code of Practice for Treasury Management in the Public Services, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 4.2 The Treasury Management Activity Report, including prudential indicators, was presented to and, following scrutiny, approved by Audit Committee on 22nd July 2021.

5 Treasury Report for 2020/21 and scrutiny of treasury activity

- 5.1 As required by the Code, the activity report for 2020/21 is submitted at Annexe A for scrutiny by Cabinet.

- 5.2 It is important to ensure that the Council's treasury management activities are subject to a robust process of scrutiny. This report provides Members with information on treasury management activity and variances in order to fulfil this process.

6 Corporate Implications

(a) Financial Implications

There are no new implications.

(b) Legal Implications

This report is the responsibility of the Strategic Director (Resources) – the Officer appointed by the Council as section 151 Officer to have responsibility for the Council's financial administration. Submission of such a report is a requirement of CIPFA's Standard of Professional Practice on Treasury Management.

Under the revised Code of Practice, Cabinet was nominated at Special Council 16th February 2010 to ensure effective scrutiny of the treasury management strategy and policies.

(c) Human Resources and Equality Implications

There are no new implications.

(d) IT and Asset Management Implications

There are no new implications.

7. Timescale for implementation and Risk Factors

This is a factual report focusing on past activity and events. There is no implementation or risk arising.

8. Background Papers

Chartered Institute of Public Finance and Accountancy: *Code of Practice for Treasury Management in the Public Services*.

CPBC: *Treasury Management Strategy Statement for 2020/21*.

CPBC: *Working paper: external loan calculation 2020/21*.

Report Author: Rob Greenfield - Accountant

Treasury Management Activity Report for 2020/21

1 Introduction

- 1.1 This report summarises the Council's treasury management activity for 2020/21 and compares actual interest transactions with the revised estimates set for 2020/21.
- 1.2 The Council must comply with the Code of Practice on Treasury Management in the Public Services, issued by CIPFA and updated in 2017. The code requires the Council to annually set a Treasury Management Strategy. The Strategy for the 2020/21 financial year was approved by Council on 19 February 2020.
- 1.3 This report confirms that all Treasury Management activity during the year was undertaken in accordance with this strategy and in consultation, where appropriate, with our external advisers, Link Group.

2 The Economy

- 2.1 **Short-term interest rates.** The Bank of England base rate remained at **0.10%** throughout 2020/21 where it is forecast to stay until 2023-24. The Council therefore continues to earn very low rates on its investments, while facing the challenge of increased counterparty risk.

3 Borrowing

- 3.1 A summary of external borrowing at 31st March 2021 is in Annexe B. The principal amounts are shown in this annexe but in the statement of accounts the amounts for borrowing also include interest outstanding.
- 3.2 The Council operated within treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and annual Treasury Strategy Statement throughout the year. The outturn for the Prudential Indicators is shown in Annexe D.
- 3.3 In October 2019 the Council borrowed £9m from Public Works Loan Board to fund the purchase of the Knightswick Shopping Centre. The loan is a 10-year equal instalment loan at a fixed rate of 1.08%. The balance of the £11.225m purchase price and costs and planned improvements, all totalling £4.5m, is being funded from internal borrowing.
- 3.4 Annexe B shows that interest paid on borrowings was exactly as budgeted.

4 Investments

- 4.1 The Council's investment policy is governed by MHCLG Guidance, which was implemented in the annual Investment Strategy approved by Council on 19 February 2020. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity issues.
- 4.2 Annexe C summarises the Council's activities for the year relating to the temporary investment of surplus funds. The average daily balance was **£37.6m** in 2020/21

(£34.7m in 2019/20). Only the principal amounts are shown in this annexe but in some areas within the Statement of Accounts the investment balances include interest outstanding.

- 4.3 Annexe C also shows that the amount of interest received on these investments was slightly more than budgeted by **£1k** (1%). The average interest achieved was **0.32%** (0.74% in 2019/20) compared to the 7-day LIBID average of -0.07% (0.53% in 2019/20).

5 Benchmarking

- 5.1 Three benchmark indicators for 2020/21, explained in the Annual Treasury Management Strategy, are reported as follows:

- **Security** – Weighted Credit Rating Score for the year of **6.4** (6.0 in 2019/20) exceeded the target of 4.0.
- **Liquidity** – Weighted Average Life was at a highly liquid level, averaging **72 days** over the year (42 days in 2019/20).
- **Yield** – Interest received on investments – income was over budget, as reported in paragraph 4.3 above.

6 Regulatory Framework, Risk and Performance

- 6.1 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance, including:

- The Local Government Act 2003, and associated Statutory Instruments;
- The CIPFA Prudential Code for Capital Finance in Local Authorities; and
- The CIPFA Code of Practice for Treasury Management in the Public Services.

- 6.2 The Council has complied with all of the relevant statutory and regulatory requirements which require the Council to identify and, where possible, quantify the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.

Annexe B

Summary of Loan Transactions and Interest Payable (accrued daily) for the year to 31st March 2021

Loan transactions activity for the year

	Amount o/s 01/04/2020 £000's	Loans Repaid £000's	Amount o/s 31/03/2021 £000's
Public Works Loan Board			
General Fund	14,250	900	13,350
HRA	36,451	0	36,451
Totals for the Council	50,701	900	49,801

Interest payable Comparison of estimate with actual

Budget Profile to 31/03/2021 £000's	Actual Interest to 31/03/2021 £000's	Variance 31/03/2021 £000's	
297	297	0	0.0%
1,087	1,087	0	0.0%
1,384	1,384	0	0.0%

Interest rates for the year

	Range of loans		Average
	From	To	
General Fund	1.08%	4.10%	2.90%
HRA	2.31%	3.49%	3.96%
Totals for the Council	1.08%	4.10%	3.67%

Base rate history

08/01/2009	1.50%
05/02/2009	1.00%
05/03/2009	0.50%
04/08/2016	0.25%
02/11/2017	0.50%
02/08/2018	0.75%
11/03/2020	0.25%

**Summary of Temporary Investments and Interest Received (accrued daily)
for the year to 31st March 2021**

Type of Borrower	Amount Invested 01/04/2020 £000's	Made £000's	Repaid £000's	Amount Invested 31/03/2021 £000's
Investments by Value:				
Treasury bills	1,993	0	1,993	0
Local Authorities	8,500	4,000	6,500	6,000
Money Market Funds	18,630	127,310	113,510	32,430
Notice accounts	2,000	0	0	2,000
Investments	31,123	131,310	122,003	40,430
Lloyds current account	197	93	0	290
Cash equivalents	197	93	0	290
Total	31,320	131,403	122,003	40,720
	Number	Number	Number	Number
Number of Investment Transactions:				
Treasury bills	2	0	2	0
Local Authorities	4	2	3	3
Money Market Funds	10	103	94	19
Notice accounts	2	0	0	2
Investments	18	105	99	24
Lloyds current account	1	0	0	1
Cash equivalents	1	0	0	1
Total	19	105	99	25

**Interest Received on Temporary Investments
for the year to 31st March 2021**

	£000's
Actual Interest Received	122
Original estimate	121
Variance	1 1%

Temporary Investments

	£000's
Average Balance for the Period	37,595
Average Interest Rate for the Period	0.32%
Benchmark: Average 7-Day LIBID Rate	-0.07%

Prudential Indicators

Indicator 1 - Key indicator of prudence - Gross Debt and the Capital Financing Requirement

"In order to ensure that over the medium term debt (i.e. gross external borrowing) will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years."

The requirement is met for the current year and is expected to be met for the forthcoming two financial years.

Indicator 2 - Capital Expenditure

	2020/21 Revised Estimate £000s	2020/21 Actual £000s
General Fund	2,325	1,266
Housing Revenue Account	2,315	1,522
Total	4,640	2,788

Indicator 3 - Indicator of Ratio of Financing Costs to Net Revenue Stream

	2020/21 Revised Estimate %	2020/21 Actual %
General Fund	7	7
Housing Revenue Account	38	38

This indicator shows financing costs such as interest charges and the minimum revenue provision as a percentage of the net General Fund and HRA revenue budgets.

Indicator 3B - Local Indicator of Ratio of Financing Costs to Net Revenue Stream

	2020/21 Revised Estimate %	2020/21 Actual %
General Fund	10	8
Housing Revenue Account	39	38

This is a variation on the above indicator, which includes in the financing costs any revenue contributions made to fund capital expenditure.

Indicator 4 - Indicator of Capital Financing Requirement (CFR)		
	2020/21 Revised Estimate £000s	2020/21 Actual £000s
General Fund	17,946	17,913
Housing Revenue Account	36,713	36,571
The CFR is a measure of the capital expenditure incurred historically by the Council that has yet to be financed.		

Indicator 5 - Authorised Limit for External Debt		
	2020/21 Revised Estimate £000s	2020/21 Final £000s
Borrowing	54,523	54,349
Other Long-Term Liabilities	0	0
Total	54,523	54,349
This indicator shows the overall limit for total external debt, including allowances for changes in the CFR, contingencies, risks, unusual cash flow movements and so on.		

Indicator 6 - Operational Boundary for External Debt		
	2020/21 Revised Estimate £000s	2020/21 Final £000s
Borrowing	53,241	53,067
Other Long-Term Liabilities	0	0
Total	53,241	53,067
This indicator shows a similar calculation to the previous indicator, without all of the above allowances for contingencies, etc.		

Indicator 7 - Upper Limits of Fixed and Variable Exposure

	2020/21 Revised Estimate £m	2020/21 Actual £m
Upper Limit - Fixed Rates	56	50
Upper Limit - Variable Rates	(18)	(31)

This indicator identifies upper limits for net investment / borrowing at variable and fixed rates. Currently all borrowings are at fixed rates and our investments are generally at variable rates. Because of this the fixed rate limit is a positive amount and the variable rate is a negative amount. Both indicators were within the limits at year end.

Indicator 8 - Maturity Structure of Fixed Rate Borrowing

	Upper Limit %	Lower Limit %	Actual %
cumulative within 1 year	50	0	17
cumulative within 2 years	50	0	18
cumulative within 5 years	60	0	36
cumulative within 10 years	80	0	72
after 10 years	100	0	28

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.

For further information on prudential indicators including revised estimates for 2020/21 please refer to sections 9 and 10 of the Policy Framework and Budget Setting report for 2021/22, presented to the Special Meeting of the Council on 24 February 2021.

CABINET

20th October 2021

Subject: Authority to Represent the Council

Cabinet Member: Councillor Johnson – 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 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 priority as an Enabler – Democracy & Resources.

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: -

- **Samantha Harris – 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 detailed below 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.

- Samantha Harris – Trainee Solicitor

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 this employee 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 this trainee 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:

Jason Bishop – Solicitor to the Council

CABINET

20th October 2021

**Subject: PLANNING POLICY UPDATE - Regulation 16
consultation on the Draft Castle Point Borough
Community Infrastructure Levy Charging Schedule**

Cabinet Member: Leader of the Council – Councillor Sheldon

1. Purpose of Report

The purpose of this report is to seek Cabinet approval to undertake Regulation 16 consultation on the draft Castle Point Borough Community Infrastructure Levy (CIL) Charging Schedule.

2. Links to Council's priorities and objectives

- 2.1 CIL provides a source of funding for the Council and its partners to deliver infrastructure projects in Castle Point. Such projects could deliver against the Council's priorities of Economy and Growth, People, Place and Environment**
- 2.2 In bringing forward a CIL, the Council will be securing infrastructure contributions from development, and doing so in a transparent and accountable manner. This aligns with the Council as being Enablers – Leadership, Democracy, Partnerships and Resources.**

3. Recommendations

- 3.1 Pursuant to Regulation 16 the Community Infrastructure Levy Regulations 2010 (as amended) the draft Castle Point Borough Community Infrastructure Levy Charging Schedule is published for consultation in accordance with Regulation 16 of the Community Infrastructure Levy Regulations (as amended) 2010.**
- 3.2 In consultation with the Leader and Deputy Leader of the Council, the Chief Executive and the Head of Place and Policy are authorised to make any final amendments to the draft CIL Charging Schedule and the consultation materials prior to consultation, and to agree the consultation strategy for the Regulation 16 CIL consultation.**
- 3.3 The outcomes of the consultation and any resultant updates to the draft Castle Point Borough Community Infrastructure Levy Charging Schedule**

are reported to Council. The Council will be asked at that time to approve the Charging Schedule for submission to the Planning Inspectorate for examination in accordance with the Community Infrastructure Levy Regulations 2010 (as amended).

4. Background

4.1 The Community Infrastructure Levy (CIL) was first introduced by the Planning Act 2008, as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. For the purposes of CIL, infrastructure is defined at section 216 of the Planning Act 2008 to include:

- Roads and other transport facilities
- Flood defences
- Schools and other education facilities
- Medical facilities
- Sporting and recreation facilities
- Open spaces

4.2 The CIL is a charge which can be levied by local authorities on new development in their area. The levy rates are set out within a CIL Charging Schedule, where the local authority can set various rates for a range of different development types and locations.

4.3 Local authorities can choose to introduce a CIL depending on the local circumstances of the area. At its meeting on the [20th November 2019](#), Cabinet resolved:

- 1) That the Cabinet confirms the process to introduce CIL
- 2) That further reports are made to Cabinet on progress, and to Council to approve the draft Charging Schedule and Section 123(Planning Act 2008) Schedule prior to public consultation.

4.4 The regulatory process for producing a CIL Charging Schedule is set out within the CIL Regulations (as amended) 2010, which came into force on 6th April 2010, requiring public consultation and an independent examination of the Schedule to be undertaken before it can be adopted. Regulation 16 of the CIL Regulations requires public consultation to be undertaken on the draft CIL Charging Schedule. This is the only public consultation required prior to its submission for independent examination.

4.5 The CIL rates should be set at a level which ensures that they will not render new development in the area financially unviable, and once adopted the rates set are non-negotiable. Exemptions and discretionary relief can be applied in certain circumstances. Funding obtained through the Levy should be used to deliver infrastructure needed to support development in the area.

- 4.6 The Council consulted on a CIL Preliminary Draft Charging Schedule in 2014, which was not subsequently progressed. Following the examination of the Castle Point Borough Local Plan, the Council is now in a position to progress the production of a CIL Charging Schedule. To support the production of the Local Plan the Council produced the Castle Point Infrastructure Delivery Plan (IDP), which sets out the key infrastructure projects required in the Borough, and identified how developer contributions and other funding sources could be used to support the delivery of new infrastructure projects in the area. The IDP highlights the need for additional sources of funding to support the delivery of new infrastructure in the area. The CIL provides a mechanism to obtain additional infrastructure funding alongside other traditional funding such as S106.
- 4.7 The use of Section 106 agreements and CIL can operate together. The Council must outline how developer contributions and CIL fund are proposed to be used in its annual Infrastructure Funding Statement. A new development, for example, may trigger the need for a new school and a planning obligation may apply to the development to provide the school. CIL could also then be applied to other development in the area to also contribute towards the delivery of the school.
- 4.8 The production of a CIL Charging Schedule requires a viability study to be undertaken to determine the impact of the imposition of a levy on the financial viability of new development in the area. A CIL Viability Study has been produced by Porter PE and the outcomes of the Study are summarised in section 7 below.
- 4.9 Since 2019 the Council has been working closely with infrastructure providers to support the production of the IDP and the Viability Study, and to ensure that these documents appropriately supported the production of the draft Local Plan and the emerging draft Castle Point CIL Charging Schedule.

5. The need for the introduction of the Community Infrastructure Levy in the Borough

- 5.1 In comparison to the current approach of collecting developer contributions towards new infrastructure through Section 106 agreements, the CIL provides a simpler, complementary and more transparent process to collect funds. There are a range of benefits to an area provided by the introduction of a levy, which are summarised below:
- The CIL collects contributions from a wide range of developments, including smaller developments which may not ordinarily provide any contributions towards new infrastructure. This provides additional funding towards infrastructure projects that support growth and benefit the local community.
 - The CIL gives local authorities greater flexibility to set their own priorities on projects benefitting the wider community affected by development, unlike Section 106 funds which require a direct link between a contributing development and an infrastructure project.
 - The CIL provides developers with clarity about the level of contributions which are required from any development and provides transparency for local people.

- The CIL is non-negotiable and therefore does not require the production of complex agreements.
 - The CIL is fair, as it relates the contribution required to the size of the development in terms of new floorspace.
- 5.2 While there are many benefits provided by the introduction of a CIL, a Levy may not be needed or appropriate in all areas of the country. The introduction of a levy should therefore be evidenced by the identification of an aggregate infrastructure funding gap that demonstrates a need for the Levy. The Planning Practice Guidance (PPG) outlines¹ that any significant funding gap identified should be considered sufficient evidence of a need for the introduction of a CIL.
- 5.3 The Infrastructure Delivery Plan (IDP) identified infrastructure requirements costing £96 million in the area which do not currently have funding to support the delivery of the infrastructure. The IDP refers to this as the minimum² funding gap for the provision of infrastructure to support existing and future needs in the Borough. Section 106 contributions associated with strategic allocations in the draft Local Plan are estimated to provide around £58 million of infrastructure funding. There is therefore around £38 million of infrastructure requirements in the area which do not have any current or future funding. The need for the introduction of a CIL in Borough can therefore clearly be demonstrated through this identified infrastructure funding gap.

6. The implementation of the Community Infrastructure Levy

a) What development will be liable to pay the levy?

- 6.1 Most buildings that people normally use are liable to pay the levy. The development of a new building or an extension which results in 100 sqm or more of net increase in gross internal floor space would be liable to pay the levy. Development which is less than 100 sqm but which involves the creation of an additional dwelling will also be liable. The conversion of a building that has not been in use for some time will also be liable for the levy.
- 6.2 The following types of development are not required to pay the levy:
- development of less than 100 square metres, unless this consists of one or more dwellings and does not meet the Governments self-build criteria³;
 - buildings into which people do not normally go;
 - buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
 - structures which are not buildings, such as pylons and wind turbines;
 - specified types of development which local authorities have decided should be subject to a 'zero' rate as outlined in the Draft Charging Schedule.

b) How the levy works alongside Section 106 contributions

¹ PPG Paragraph: 017 Reference ID: 25-017-20190901

² The overarching figures from the IDP are considered minimum estimates, as there are some infrastructure projects listed within the IDP which are not yet costed.

³ See CIL Regulation 42 for further details.

- 6.3 In September 2019, the restrictions on using five or more section 106 contributions to fund a single infrastructure project was lifted, and greater flexibility was provided in relation to how CIL funding could be used alongside S106 contributions. Charging authorities can now use both CIL and S106 contributions to fund the same infrastructure item.
- 6.4 The IDP sets out the key infrastructure projects required in the Borough, and identified the use S106 funding sources to assist in the delivery of a large proportion of identified new infrastructure projects. It is likely that essential infrastructure items which are directly related to supporting the delivery of new development proposals will continue to be funded through S106 agreements. The use of this approach has been assessed within the Viability Study to ensure that strategic sites remain viable with the imposition of both S106 requirements and a CIL charge.

c) Infrastructure projects which could be funded through CIL

- 6.5 The CIL will be used in combination with S106 agreements to obtain additional funds for a wide range of community infrastructure projects throughout the Borough, and to obtain infrastructure funding from smaller developments where S106 agreements may not usually be produced.
- 6.6 The IDP identified a minimum infrastructure funding gap of around £38 million which could potentially be funded through the CIL. Infrastructure projects identified within the IDP which are not expected to be funded through S106 contributions⁴, and could therefore be funded through the CIL, include green infrastructure, open space, sports facilities, and transport improvement projects where the needs for the infrastructure are not directly attributable to specific new developments.

d) How the levy will be collected

- 6.7 Liability to pay the CIL is triggered by commencement of the development. Following the adoption of a CIL Charging Schedule, planning applications in the area will be expected to include a completed CIL Information and Liability Form, which will help the Council calculate the CIL liability associated with the development and issue a CIL Demand Notice. The notice will be issued upon the commencement of development.
- 6.8 The levy should usually be paid within 60 days of the commencement of development, however to support the financial viability of new development in the area an instalments policy is proposed within the CIL Charging Schedule. An instalments policy allows levy charges over an identified amount to be paid in instalments over a set period of time. The Council will be seeking views on the proposed instalments policy through the Regulation 16 consultation.

e) Potential infrastructure funding which could be obtained through the CIL

- 6.9 Based on the CIL rates and approach to charging CIL as recommended in the CIL Viability Study (see section 7 below), around £35 million of infrastructure

⁴ In accordance with the requirements of CIL Regulation 122 (Community Infrastructure Levy Regulations 2010 (as amended))

funding could be obtained through the levy from residential strategic site allocations within the submitted draft Local Plan. Appendix C presents the potential CIL contributions arising from each strategic allocation in the draft Local Plan. Any further residential development in addition to the allocations in the Plan, and specific types of retail development (see proposed rates below), would also be subject to a CIL charge, and would provide further CIL funding towards new and improved infrastructure in the Borough.

f) The use of variable CIL rates

- 6.10 The proposed CIL rates for an area are based on the conclusions of the CIL Viability Study (see section 7 below). The setting of CIL rates in an area should be based on the ability of new development to pay a set levy and remain financially viable. Rates will therefore be different in areas where there are significant variations in components which inform the calculation of a CIL rate, such as land prices, house prices, development costs, and the costs of materials. In Castle Point Borough there are significant differences in development costs, land and house prices, between the mainland (Thundersley, Hadleigh, Benfleet) and Canvey Island. The Viability Study has therefore recommended the use of variable CIL rates within the Borough.

g) How the CIL funds are distributed

- 6.11 Castle Point Borough Council is the relevant 'charging authority', and it is the responsibility of the charging authority to collect and distribute all CIL funds. The Council may retain up to 5% of CIL receipts to cover the costs of administering CIL.
- 6.12 In the first instance, the Council must pass up to 15% of receipts arising in an area to the relevant Parish Council i.e. Canvey Town Council for any homes built on Canvey. This 15% is capped. The cap was set at £100 per dwelling in 2013 and now sits at around £118 per dwelling due to indexation. In those areas where there is no Parish Council, then the same level of funding per dwelling should be spent specifically on projects in the area local to sites e.g. at the ward level (this is referred to as the 'neighbourhood portion').
- 6.13 Having set aside any administrative costs and the local element of the receipt, the Council can determine how funds are distributed between organisations and projects. Funding obtained through the levy must be used towards infrastructure which supports growth in the area and should be used based on the needs for new and improved infrastructure in the Borough.
- 6.14 An Infrastructure Funding Statement will be produced by the Council annually to outline the extent of CIL funds which have been received, how received CIL funds are being used, and how future CIL funds are proposed to be used in the future.
- 6.15 Beyond the minimum provision of funds which would be provided through the 'neighbourhood portion' for chargeable development within that area, there is no further regulatory requirement to correlate the location of CIL funding received to the spending of the funds. CIL rates are calculated based on the financial viability of new development, and not based on the geographical needs for new

infrastructure. While the Council could consider an area based approach to distributing CIL funds based on the location where funds were obtained, it cannot be guaranteed that the Borough-wide infrastructure needs will correlate with areas where the majority of CIL funding has been obtained. It is likely therefore that the most effective approach for the distribution of CIL funds would be based on an assessment of the overall Borough-wide infrastructure needs and priorities. The approach to spending CIL funds is determined by the Council as the charging authority, and can be amended at any time depending on the particular needs of the area at the time.

7. The CIL Viability Study

- 7.1 The rates outlined within a CIL Charging Schedule are informed by the production of a viability study. A CIL Viability Study has been produced by Porter PE to determine the impact of a CIL charge, in addition to normal development costs and policy and infrastructure requirements outlined within the draft Local Plan, on the financial viability of new development in the area. The PPG⁵ states that 'when deciding the levy rates, an authority must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments'. The CIL Viability Study should therefore seek to maximise the potential for CIL funding to be obtained from all types of development, whilst also ensuring that the proposed Levy rates will not render new development financially unviable.
- 7.2 The CIL Viability Study has researched the potential for CIL rates to be applied to all types of new development in the Borough. In doing so, Porter PE has consulted with the development industry to test the assumptions included in the Study through both a questionnaire distributed in July 2020 and a workshop undertaken in May 2021. The Study has researched development costs, land prices and the developed value of a range of uses throughout the Borough in order to identify any local variations which should be addressed through the proposed rates. In particular, the Study considered variations in costs and values of development on the Mainland and on Canvey Island.
- 7.3 To test potential CIL rates, the Study has reviewed a range of new residential development types, proposed residential strategic allocations in the draft Local Plan, and a range of commercial / non residential developments including large retail (supermarkets / larger foodstores / retail warehousing), small shops (local shops / convenience stores), offices (both in-town and out of town centre locations), industrial / warehousing (smaller and larger, including a larger distribution typology), hotels and care homes.
- 7.4 The Study used sales data at March 2020. For residential development 155 new build residential sales transactions and 5,318 existing property transactions that occurred between January 2016 and March 2020 were considered, with each transaction value indexed to March 2020 values (the latest information available at the time of preparing the report) using the Land Registry House Price Index.
- 7.5 The Study however notes the current economic circumstances regarding the Covid-19 pandemic, and determines that the long term implications of the pandemic are uncertain at this time. While the viability testing identified the

⁵ PPG Paragraph 010 Reference ID: 25-010-20190901

potential to charge substantial CIL rates per sqm for residential development on the Mainland, the Study recommends setting the charge lower to account for uncertainty resulting from the Covid-19 pandemic and the normal fluctuation of costs and values over time.

- 7.6 The determination of appropriate CIL rates in an area includes a 'buffer' to ensure that rates are not set on the edge of viability for new development, allowing for changes to the economy to occur without rendering new development in the Borough financially unviable. The CIL rates proposed within the Study include buffers of between 30% and 50% which is higher than has been allowed in other areas of the country.
- 7.7 The Study recommends the inclusion of a substantial buffer for the introduction of a CIL in the area, to ensure that there is not a 'market shock' as a result of the imposition of a levy. This cautious approach therefore acknowledges that many future potential developments in the area may not have considered costs associated with a levy in addition to the usual development costs.
- 7.8 In addition, paragraph 5.14 of the Viability Study also notes that the inclusion of a substantial buffer at this stage allows for:
- Any uncertainties within the Viability Study to be reviewed and considered over time.
 - New development to remain financially viable even where abnormal development costs are identified.
 - The fluctuation of costs and values over time, providing contingency where costs may rise.
 - A degree of uncertainty associated with the impacts of the Covid-19 pandemic on the economy and future development values.
- 7.9 Recent changes to the CIL Regulations have made the update and review process for the CIL Charging Schedule simpler and quicker. CIL rates can be more easily amended to take account of any significant future economic changes. Therefore, the introductory CIL rates set by the Council can be reviewed and updated accordingly in the future following a review of the performance of the CIL Charging Schedule.
- 7.10 In relation to the identification of appropriate CIL rates in the Borough, the CIL Viability Study concluded that:
- For residential development, including strategic residential allocations in the emerging Local Plan, sites on the Mainland would be able to accommodate a high CIL rate and remain financially viable. On Canvey Island, taking into account increased development costs and lower land and development values, sites would remain financially viable at a lower levy rate. It would therefore be appropriate to set variable levy rates for Mainland and Canvey Island sites.
 - On both the Mainland and Canvey Island the development costs associated with flats resulted in a reduced ability for this type of residential development to accommodate a CIL rate and remain financially viable. The proposed rates therefore recommend a lower rate for flats in all areas of the Borough.

- Based on current market conditions, the viability for non-residential sites is weak. The Study notes that while developments might be built for subsequent sale or rent to a commercial tenant, there will also be development that is undertaken for specific commercial operators either as owners or pre-lets. The Study therefore recommends a £0 rate per sqm for town centre office, business park, and industrial / warehouse developments.
- There is scope for introducing a modest CIL charge on convenience and comparison retail uses⁶, with variable rates recommended depending on the size and location of the proposed retail store.
- Viability testing indicated that other types of development including comparison retail inside the town centre, hotels, and care homes would not be capable of accommodating a levy and remaining financially viable.

8. The Draft Castle Point Borough Community Infrastructure Levy Charging Schedule

- 8.1 A CIL Charging Schedule sets out the levy rates for a charging authority area⁷. The CIL Regulations (as amended) 2010 and the PPG requires the production of a CIL Charging Schedule to include the completion of the following tasks prior to examination:

Table 1: Key tasks in the preparation of the submission of a CIL Charging Schedule as outlined in the CIL Regulations

Relevant CIL Regulation	Task
Regulation 14	The preparation of an evidence base to inform the production and publication of a draft Charging Schedule. This has been undertaken through the production of the CIL Viability Study.
Regulation 16	Publication of the draft Charging Schedule for public consultation. This report is seeking approval for the undertaking of this task.
Regulation 17	Review and assess consultation representations and amend the draft Schedule to take account of comments as necessary.
Regulation 19	Submission of the draft Charging Schedule for independent examination. Submission documents include the draft Charging Schedule, a consultation statement, and a statement of modifications setting out changes made since the Regulation 16 consultation.

- 8.2 The draft Castle Point Borough CIL Charging Schedule proposed for Regulation 16 consultation is presented in Appendix A. The Schedule is designed to be a simple document which clearly outlines the proposed CIL rates for each type of development. Any background information on CIL and the administration of CIL within the Borough is proposed to be provided in supporting informative documents published on the Council's website.

⁶ Convenience retail provides lower value good purchased regularly to meet day to day needs such as food, newspapers, petrol etc. Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

⁷ [PPG Paragraph: 011 Reference ID: 25-011-20190901](#)

- 8.3 The proposed CIL rates presented in the draft Charging Schedule are based on the conclusions from the CIL Viability Study, and include variable rates which take account of significant differences in development costs, land and house prices, between the mainland (Thundersley, Hadleigh, Benfleet) and Canvey Island. The differing rates between these areas therefore ensures that new development throughout the Borough will remain financially viable with the imposition of a levy. The proposed rates are outlined in Table 2 below.

Table 2: Proposed CIL Rates

Development type	CIL rate per sqm
Residential housing within the Mainland (including Benfleet, Thundersley and Hadleigh)	£250
Residential housing within Canvey Island	£120
Residential flat within the Mainland (including Benfleet, Thundersley and Hadleigh)	£90
Residential flat within Canvey Island	£30
Sheltered / Retirement and extra care housing	£0
Convenience ⁸ retail for the first 800 sqm gross internal area	£200
Convenience retail for each sqm metre over 800 sqm gross internal area	£50
Comparison ⁹ retail outside of the town centre boundaries	£200
All other development	£0

- 8.4 In addition to CIL rates for all residential development, the CIL Viability Study also recommended a levy on new convenience and comparison retail development within the Borough. In September 2020 Government introduced changes to the Town and Country Planning (Use Classes) Order 1987 (as amended) to create a Class E, which includes a wide range of uses such as retail, financial services, indoor sports, medical or health services, creche, offices, and uses associated with research and industrial processes. The CIL applies to permitted development, as well as development permitted through planning applications and appeals.
- 8.5 The recent changes to the Use Classes Order will allow more retail related permitted development from existing uses contained within Class E, however this will not affect the Council's ability to charge a levy on retail uses. Where a Class E(a) use is created through permitted development, there is an obligation placed upon the site owner to submit to the Council a 'notice of chargeable development' form, and failure to submit the form can result in the Council imposing penalty charges through enforcement action.
- 8.6 For development proposals relating to residential, comparison and/or convenience retail uses which require planning approval, appropriate CIL charges relating to the development will be established through forms included within the planning application process.

⁸ Convenience retail provides lower value good purchased regularly to meet day to day needs such as food, newspapers, petrol etc.

⁹ Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

- 8.7 The CIL Regulations state that a charging authority can implement and amend an instalments policy at any time following appropriate consultation, allowing CIL payments to be made by instalments often based on the progression of development and /or the time since the approval of the development. An instalments policy allows CIL payments to be spread out throughout the life of a project and can therefore assist the financial viability of the development. An instalments policy can be included within a draft Charging Schedule to be considered during consultation and examination. The draft CIL Charging Schedule therefore includes a proposed instalments policy.
- 8.8 The PPG details that the Levy may be payable on development which creates new or additional internal area, and where the gross internal area of new build is 100 sqm or more. This limit does not apply to new houses or flats, and a charge can be levied on a single house or flat of any size¹⁰. The CIL Regulations allow charging authorities to provide relief or exemptions from the levy to specified types of development. The PPG outlines that this can include exemptions and relief to minor development, residential annexes, self-build, social housing, and charitable development.
- 8.9 Through the consideration of appropriate CIL rates for the area, no types of development have been identified which are proposed to be provided specific relief or exemptions in the Borough beyond nationally recommended exemptions. No Borough specific relief or exemptions have therefore been identified within the draft Charging Schedule.
- 8.10 Relief and exemptions policies are not required to form part of the CIL Charging Schedule, and can therefore be produced and amended at any time by the Council following appropriate consultation.

9 Proposed approach to undertaking the Regulation 16 consultation on the draft Charging Schedule

- 9.1 Before the submission of a draft Charging Schedule for independent examination, the CIL Regulations require a draft Schedule to be published for consultation to invite representations to be made. The Regulations do not specify a required consultation time period, or how the consultation should be undertaken. The approach to consultation can therefore be determined by the Council, in accordance with the Councils Statement of Community Involvement.
- 9.2 The PPG notes that there is an expectation that consultation on a new Charging Schedule will take place for a minimum of 4 weeks¹¹. It is therefore proposed that consultation on the draft Charging Schedule will take place for 4 weeks, starting in early November 2021.
- 9.3 Additional information has been produced to support the CIL Charging Schedule consultation including an information sheet, booklet, and response form. These documents are presented within Appendix B. Consultation representation are requested to be provided by completing the questions within the response form.

¹⁰ PPG Paragraph: 004 Reference ID: 25-004-20190901

¹¹ [PPG Paragraph: 032 Reference ID: 25-032-20190901](#)

Completed form can be posted to the Council Officer or emailed to the Council. leaflet.

- 9.4 In order to promote the consultation a latest news article will be placed on the Council website, and messages placed on the Council's social media platforms (Facebook, Twitter, Instagram, LinkedIn) informing residents and other stakeholders that the consultation is taking place and how to obtain further information.
- 9.5 To broaden participation to the digitally excluded, a press release will be issued, and an advert placed in the local press. A deposit copy of the draft Charging Schedule will be made available at the Council Offices for members of the public without access to the internet to review the consultation documents and supporting material.
- 9.6 As required within the CIL Regulations, the Council will consult directly with neighbouring local authorities and the County Council on the draft Charging Schedule. Other infrastructure/service providers such as the NHS, Essex Police and the Environment Agency will also be directly notified.
- 9.6 It is recognised that the proposal to introduce CIL, and the rates to be charged will have a direct impact on businesses in the construction sector, including local building companies. Planning and Building Control records will therefore be used to write directly to those businesses that are involved in the construction sector in Castle Point to notify them of the proposals.

10 Potential changes to the Community Infrastructure Levy as a result of the Government White Paper, Planning for the Future

- 10.1 In August 2020 the Government published for consultation the 'Planning for the Future' White Paper, which proposed reforms of the planning system in England. The consultation document proposed a mandatory nationally set charge to be placed on development as a fixed proportion of the development value above a threshold, which could replace the current CIL process and S106 planning obligations. The proposed 'national infrastructure levy' may also seek to go further than existing CIL requirements to capture changes of use, to support the delivery of affordable housing, and to provide more freedom to local authorities in how the levy is spent.
- 10.2 The proposed reforms relate to long term proposals which are currently subject to a first stage of consultation. Any potential changes to the existing CIL process are therefore at an early stage of consideration, and where taken forward following consultation, are unlikely to impact how local authorities obtain infrastructure funding in the short term.
- 10.3 The CIL rates recommended within the CIL Viability Study include rates for strategic sites proposed for allocation in the draft Local Plan. Given the amount of CIL revenue potentially available through strategic sites proposed for allocation in the draft Local Plan, and the long-term nature of the proposals in the White Paper, it is recommended that the Council progress with the production of a CIL Charging Schedule. This will enable the Council to obtain additional infrastructure funding while any future changes to the CIL process, and the wider planning system, are considered, agreed, and implemented accordingly.

11 Conclusion

- 11.1 The draft Castle Point Borough Community Infrastructure Levy (CIL) Charging Schedule proposes CIL rates for the Borough which will maximise the potential for new development to generate income for the delivery of new infrastructure, while also ensuring that proposed rates do not render new development in the Borough financially unviable. The draft CIL Charging Schedule is therefore recommended to be published for consultation in accordance with Regulation 16 of the Community Infrastructure Levy Regulations (as amended) 2010.

12 Appendices

Appendix A – Draft Castle Point Borough Community Infrastructure Levy Charging Schedule

Appendix B – Draft Castle Point Borough Community Infrastructure Levy Charging Schedule supporting consultation material

i. Consultation Booklet

ii. Information Sheet

iii. Response Form

Appendix C – Calculation of potential CIL contributions from Draft Local Plan strategic site allocations

13. Corporate Implications

a. Financial implications

The Council has an agreement with Essex County Council to fund £60,000 towards the cost of preparing the Community Infrastructure Levy in return for them being able to access the first £60,000 worth of CIL receipts for a county led project/projects in Castle Point.

The CIL Regulations allow for the remaining costs for preparing the CIL, of the order of £50,000, to be recovered from CIL income in later years. Therefore, whilst the preparation of CIL carries an in-year cost, it will be cost neutral to the Council overall if it chooses to recover the investment.

Separately, there is a cost associated with implementing and managing CIL. Experience from elsewhere indicates that this requires at least one CIL Officer and a computer system/data base.

It is estimated that the cost of the officer will be of the order of £40k per annum, whilst the cost of the computer system, based on the one used in around 150 Council's across the Country already, is around £30k for set up and around £15k per annum thereafter. It is estimated that the total annual cost for implementing the CIL will be of the order of £55k per annum at current costs.

The Council can use up to 5% of its CIL income to administer CIL. Over the period 2022-2033 the cost of administering CIL will be of the order of £605k at current costs. Over the same period, 5% of the projected income would amount to £1.75m at current rates meaning that there will be sufficient resources to implement CIL to the extent that it may not be necessary to take the full 5%.

Meanwhile, the CIL will raise around £33.25m to be spent on Local Infrastructure projects. Around £400k of this will need to be assigned to local spend at the ward level, based on current costs. The remainder will be available for infrastructure projects across the borough.

b. Legal implications

The Council must ensure that the approach to progressing the CIL Charging Schedule is in accordance with the CIL Regulations and guidance in the PPG, otherwise there could be a risk of legal challenge.

Following the adoption of a CIL in an area, there would be a legal requirement on a developer to pay the levy for liable development. The adoption of a CIL could reduce the use of Section 106 agreements in the area.

c. Human resources and equality implications

Human resources

Experience from other authorities who have implemented CIL indicates that its administration whilst generating a great source of funding for infrastructure projects is administratively burdensome. It requires the monitoring, enforcement and the constant tracking of the numerous development projects that may be underway across the area to know when to issue notices and expect (or otherwise chase) receipts.

It also requires the preparation of a statement setting out how CIL, alongside S106 receipts have been spent in any given year, meaning that there is an imperative to be pushing funds out to those services within the organisation or other organisations such as Essex County Council or the NHS to deliver projects, and ensuring that those projects are being delivered.

A CIL Officer will therefore be required to implement CIL, alongside an appropriate computer system. Indicatively, this will cost of the order of £55k per annum total, at current costs. This is set out under the financial resources section.

Equality implications

There are no identified negative equality implications.

CIL provides the opportunity for the Council and its partners to deliver the infrastructure needed to support the community in Castle Point, including those with protected characteristics.

Except for the more limited Local element of CIL (£118 per dwelling), it is not ringfenced to be spent in specific areas, although it must be used to support growth and to mitigate the impacts of growth. The Council is responsible for how CIL is spent and could choose, when making year-on-year decisions on how to spend CIL receipts, that it wishes to invest in those infrastructure projects which help best to level up the borough.

d. Timescale for implementation and risk factors

Delays in progressing a Community Infrastructure Levy could result in a lack of funding, and therefore a failure to deliver, new infrastructure projects in the

Borough. Ideally, the Council would seek to get a CIL in place before the adoption of the Local Plan to maximise the receipt from allocated sites.

14. Background Papers:

- [Pre-Submission Castle Point Borough Local Plan \(December 2019\)](#)
- [Infrastructure Delivery Plan \(2020\)](#)
- [Castle Point CIL Viability Report \(2021\)](#)
- [Community Infrastructure Levy Regulations 2010](#) (see amendment regulations also)
- [Cabinet Meeting Agenda 20th November 2019](#) (resolution to prepare a CIL)

Report Author: Amanda Parrott – Planning Policy Manager

Castle Point Borough Council Community Infrastructure Levy Draft Charging Schedule November 2021

Proposed Community Infrastructure Levy rates

Community Infrastructure Levy (CIL) liable development, as defined within the Community Infrastructure Levy Regulations (as amended) 2010 and the Planning Practice Guidance, will be required to pay the following levy rates.

Development type	CIL rate per sqm
Residential housing within the Mainland (including Benfleet, Thundersley and Hadleigh)	£250
Residential housing within Canvey Island	£120
Residential flat within the Mainland (including Benfleet, Thundersley and Hadleigh)	£90
Residential flat within Canvey Island	£30
Sheltered / Retirement and extra care housing	£0
Convenience ¹ retail for the first 800 sqm gross internal area	£200
Convenience retail for each square metre over 800 sqm gross internal area	£50
Comparison ² retail outside of the town centre boundaries	£200
All other development	£0

Proposed Instalments Policy

The above levy rates are required to be paid to the Council through the following instalments following the provision of a CIL Demand Notice issued by the Council.

Overall CIL liability	Payment instalments
£20,000 or less	Payment in full within 240 days
£20,000 - £50,000	50% paid within 360 days Further 50% paid within 540 days
£100,000 - £500,000	10% paid within 270 days Further 15% paid within 540 days Further 25% paid within 720 days Remaining 50% paid within 900 days
£500,000 or more	Agreement of project specific payment schedule

¹ Convenience retail provides lower value good purchased regularly to meet day to day needs such as food, newspapers, petrol etc.

² Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.



Contact Castle Point Borough Council:

Website: www.castlepoint.gov.uk

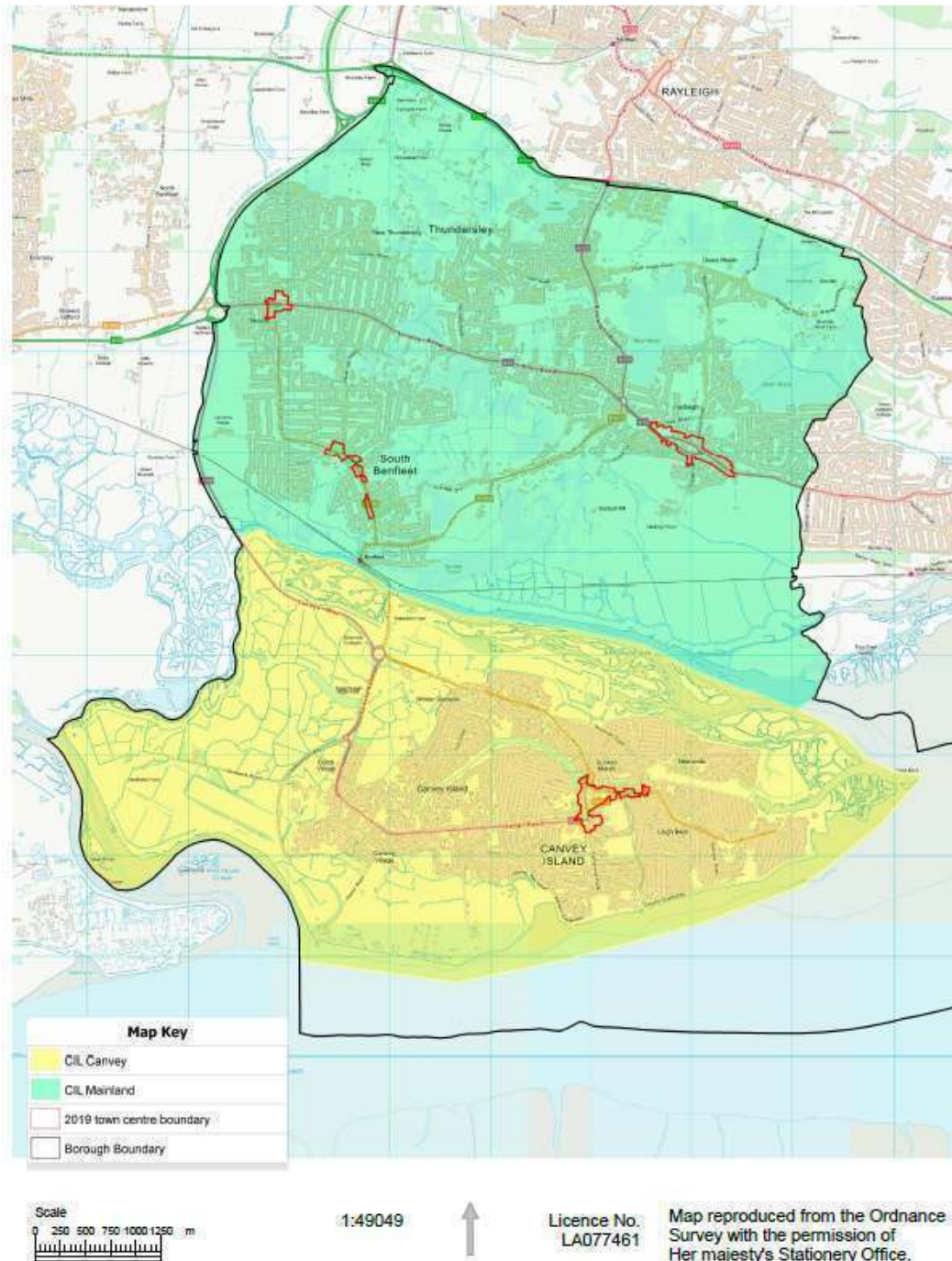
Email: policy@castlepoint.gov.uk

Tel: 01268 882200

Address: Castle Point Borough Council, Kiln Road,
Thundersley, Benfleet, Essex, SS7 1TF

CIL Variable Rates Map

The CIL Charging Schedule includes variable rates for residential sites on the Mainland and on Canvey Island, and variable rates for comparison retail within and outside town centre boundaries. The map below presents the Mainland areas of the Borough, Canvey Island, and the relevant town centre boundaries which will be subject to the variable CIL rates.



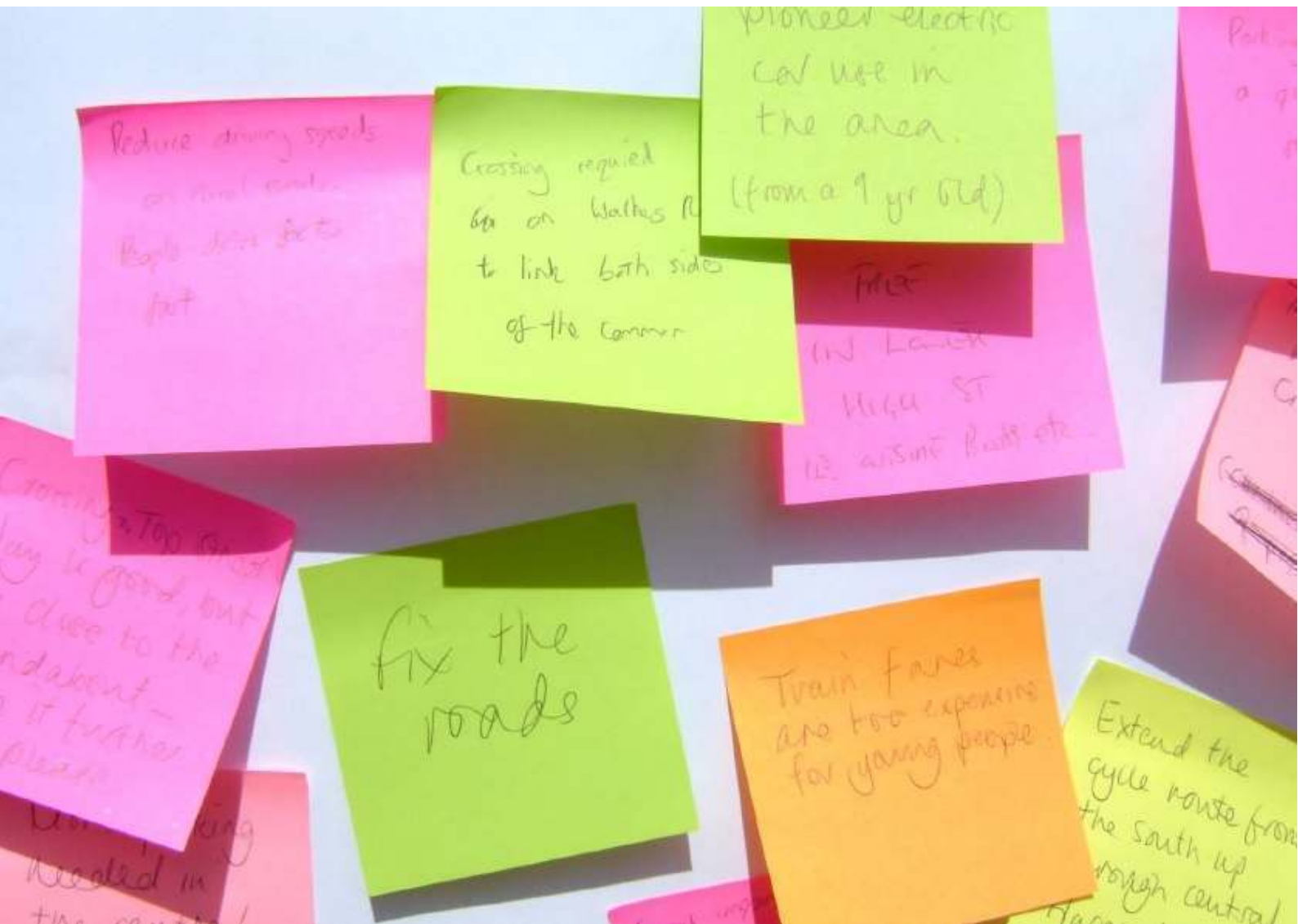


Draft Community Infrastructure Levy Charging Schedule

Consultation Version

Castle Point Borough Council

November 2021



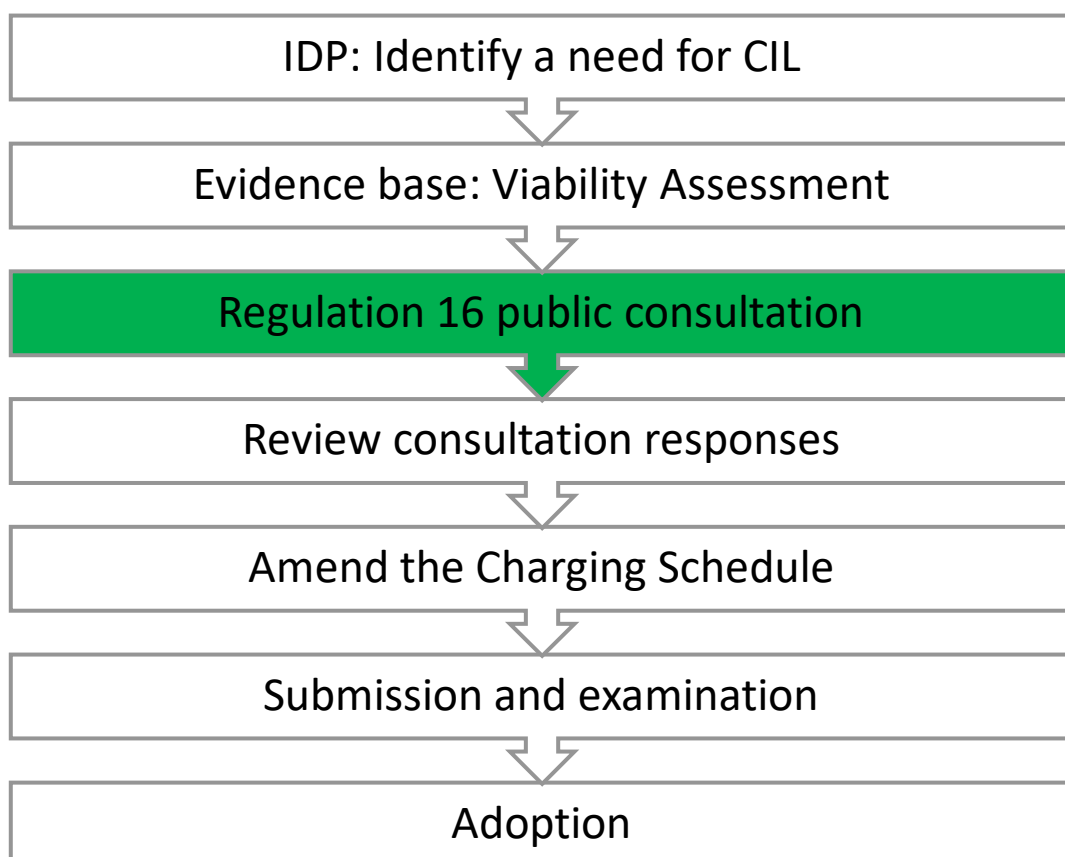
1. Introduction

Castle Point Borough Council (CPBC) are consulting on the Community Infrastructure Levy (CIL) Draft Charging Schedule. This consultation information booklet presents the draft Charging Schedule, and provides further information on the CIL, the evidence base which has been used to establish proposed levy rates, and how the levy will be implemented in the area.

It is important that developers contribute towards providing for the infrastructure needs that development creates. The introduction of the Community Infrastructure Levy Regulations in 2010 established a mechanism for Councils in England and Wales to raise funds from developers to achieve this.

Local authorities who wish to charge the levy must produce a draft charging schedule setting out CIL rates for their area. There are several stages to the production of a CIL charging schedule. The Council is currently undertaking Regulation 16 public consultation, seeking comments on the draft CIL Charging Schedule.

The Council, as the CIL charging authority, is required to consult with residents, local communities, businesses and stakeholders on the proposed levy rates. The consultation will be followed by an Examination-in-Public of the draft Charging Schedule which will be conducted by an independent examiner prior to the proposed adoption of the CIL Charging Schedule.



2. Responding to the Consultation

Consultation on the Draft Charging Schedule ends on **DATE##
2021 at **TIME##**.**

Please provide comments on the draft Charging Schedule using the consultation response form. The response form can be downloaded from the Council's website

www.castlepoint.gov.uk/community-infrastructure-levy-cil-

Responses should be emailed to planningpolicy@castlepoint.gov.uk

or posted to Planning Policy, Council Offices, Kiln Road,
Thundersley, Benfleet, Essex, SS7 1TF

The draft Charging Schedule and all supporting consultation material and evidence base documents are available to view on the Council website and at the Council Offices.

For further information, contact the Planning Policy Team directly on 01268 882200 or email planningpolicy@castlepoint.gov.uk

3. What is the Community Infrastructure Levy?

The Community Infrastructure Levy (CIL) is a locally set charge on new development that authorities can choose to introduce across their area. It is based on the size and type of development and once set is mandatory to pay and non-negotiable. The funds raised must be used to provide infrastructure¹ which is required to support new development across the area. Levy rates are set out within a CIL Charging Schedule.

Currently when new development proposals are approved by the Council, it is common for an agreement to be made (known as a planning obligation, section 106 agreement or developer contribution) for developers to either provide new or improved infrastructure, or financial contributions towards the provision of new or improved infrastructure in the area. This could include highways

¹ For the purposes of CIL, infrastructure is defined at section 216 of the Planning Act 2008 to include roads and other transport facilities, flood defences, schools and other education facilities, medical facilities, sporting and recreation facilities, and open spaces.

improvements, new or improved parks and play facilities, and services and facilities such as new or improved schools and health facilities.

The CIL will not replace the Council's current methods of obtaining infrastructure and funding through planning obligations. The CIL provides an additional mechanism to obtain financial contributions towards new and improved infrastructure.

The requirements of a local authority, or 'charging authority', in producing a CIL Charging Schedule are set out in the:

- [Planning Act 2008](#) (as amended by the Localism Act 2011)
- [CIL Regulations 2010](#), as amended in 2011, 2012, 2013, 2014, 2015, 2018, 2019 and 2020
- [Planning Practice Guidance](#)

4. What are the benefits of the CIL?

In comparison to the current approach of collecting developer contributions towards new infrastructure through Section 106 agreements, the CIL provides a simpler and more transparent process to collect funds. There are a range of benefits to an area provided by the introduction of a levy, which are summarised below:

- The CIL collects contributions from a wide range of developments, providing additional funding to allow local authorities to carry out a range of infrastructure projects that support growth and benefit the local community.
- The CIL gives local authorities greater flexibility to set their own priorities on projects benefitting the wider community affected by development, unlike Section 106 funds which require a direct link between a contributing development and an infrastructure project.
- The CIL provides developers with clarity about the level of contributions which are required from any development and provides transparency for local people.
- The CIL is non-negotiable and therefore does not require the production of complex agreements.
- The CIL is fair, as it relates the contribution required to the size of the development in terms of new floorspace.

5. What development will be liable to pay the levy?

Most buildings that people normally use are liable to pay the levy, whether the proposal is for a new building or an extension which results in 100 sqm or more of net increase in gross internal floor space. Development which is less than 100 sqm but which involves the creation of an additional dwelling will also be liable. The conversion of a building that has not been in use for some time will also be liable for the levy.

The following types of development are not required to pay the levy:

- development of less than 100 square metres, unless this consists of one or more dwelling and does not meet the Governments self-build criteria (see regulation 42 for further details);
- buildings into which people do not normally go;
- buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- structures which are not buildings, such as pylons and wind turbines;
- specified types of development which local authorities have decided should be subject to a 'zero' rate as outlined in the Draft Charging Schedule.



6. CIL exemptions and discretionary relief

The CIL Regulations outline that where relevant criteria are met, the following types of development can be subject to an exemption or relief from paying the levy:

- residential annexes and extensions;
- 'self-build' houses and flats, which are built by 'self-builders';
- social housing that meets the relief criteria set out in regulation 49 or 49A (as amended by the 2014 Regulations);
- charitable development that meets the relief criteria set out in regulations 43 to 48.

The CIL Regulations state that discretionary relief can be made available for 'exceptional circumstances' for specific schemes which cannot afford to pay the levy. The Council can offer this relief through the publication of a notice.

No types of development have currently been identified which should be provided specific relief or exemptions in the Borough beyond the compulsory exemptions identified by Government. The Council does not therefore propose to make Borough specific relief or exemptions within the draft Charging Schedule.

7. How the levy works alongside Section 106 contributions

In September 2019, the restrictions on using five or more section 106 contributions to fund a single infrastructure project was lifted, and greater flexibility was provided in relation to how CIL funding could be used alongside S106 contributions. Charging authorities can now use both CIL and S106 contributions to fund the same infrastructure item.

The Infrastructure Delivery Plan (IDP, see the evidence base documents section below) sets out the key infrastructure projects required in the Borough, and identified the use S106 funding sources to assist in the delivery of new infrastructure. The IDP notes that there are no restrictions on the amount of contributions which can be used to fund a single infrastructure project.

It is likely that essential infrastructure items which are directly related to supporting the delivery of new development proposals will continue to be funded through S106 agreements. The CIL will therefore be used in combination with S106 agreements to obtain additional funds for a wider range of community

infrastructure projects throughout the Borough, and to obtain infrastructure funding from smaller developments where S106 agreements may not usually be produced.

8. How the CIL will be collected

Liability to pay the CIL is triggered by commencement of the development. Following the adoption of a CIL Charging Schedule, planning applications in the area will be expected to include a completed CIL Information and Liability Form, which will help the Council calculate the CIL liability associated with the development and issue a CIL Demand Notice. The notice will be issued upon the commencement of development

The levy should usually be paid within 60 days of the commencement of development, however to support the financial viability of new development in the area an instalments policy is proposed. An instalments policy allows levy charges over an identified amount to be paid in instalments over a set period of time. The Council is considering introducing an instalments policy and is seeking views on the proposed approach set out below.

Proposed CIL Instalments Policy

Overall CIL liability	Payment instalments
£20,000 or less	Payment in full within 240 days
£20,000 - £50,000	50% paid within 360 days Further 50% paid within 540 days
£100,000 - £500,000	10% paid within 270 days Further 15% paid within 540 days Further 25% paid within 720 days Remaining 50% paid within 900 days
£500,000 or more	Agreement of project specific payment schedule

9. Evidence base documents

CIL Viability Assessment

To inform the production of the CIL Charging Schedule, the Council commissioned Porter Planning Economics (PorterPE) to conduct a CIL Viability Assessment. The assessment considers the impact of a CIL charge, in addition to normal development costs and policy and infrastructure requirements outlined within the emerging Borough Plan, on the financial viability of new development in the area.

The CIL rates proposed in the draft Charging Schedule are based on the conclusions of the CIL Viability Assessment. The Assessment tested different development types and scenarios. Evidence was collected from a variety of sources including questionnaire surveys with local, regional and national housing developers, and Registered Providers, as well as local site promoters for the potential strategic site allocations within the Castle Point area. A workshop was undertaken with development industry contacts in April 2021 to provide initial feedback on the Council's emerging approach to charging the CIL. Stakeholder consultation sought information on property sales and values and to inform assumptions on the costs of development. The testing examined the effects of different levels of affordable housing contribution and took account of the impact on development viability of other policy costs faced by development, including other planning obligation costs and the cumulative impact of emerging Local Plan policies.

The Viability Assessment found that CIL would be viable for strategic residential allocations in the emerging Local Plan, with variations between the Mainland and Canvey Island, as well as houses and flats. Comparison² retail units outside of the town centre boundary were found to be viable with a CIL rate, while comparison retail units within the town centre boundary and all other types of non-residential development would not be capable of accommodating a CIL rate.

Infrastructure Delivery Plan

The Infrastructure Delivery Plan (IDP) version 2 was produced in 2020 and considers the key infrastructure requirements necessary to support the anticipated development and growth across the Borough. It covers a wide range of infrastructure types, outlining the baseline position of infrastructure provision in the Borough. The IDP helps to identify the need for new and improved infrastructure in the Borough, and sets out the funding gap.

10. The need for a CIL

The Planning Practice Guidance³ states that a Council intending to introduce a CIL '*should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy. Any significant funding gap should be considered sufficient evidence of the desirability of CIL funding, where other funding sources are not confirmed*'.

The evidence base documents listed above have identified a significant infrastructure funding gap in the area. Based on the assessment of infrastructure

² Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

³ PPG Paragraph: 017 Reference ID: 25-017-20190901

needs, costs and funding, there is currently an infrastructure funding gap in the Borough of around £38 million.

Revenue from CIL is not expected to bridge the funding gap entirely, but it is expected to have a significant impact on available finances to enable Castle Point Borough Council to support the delivery of new and improved infrastructure.

11. Proposed CIL rates

The draft Charging Schedule for Castle Point Borough Council proposes the following levy rates:

Development type	CIL rate per sqm
Residential housing within the Mainland (including Benfleet, Thundersley and Hadleigh)	£250
Residential housing within Canvey Island	£120
Residential flat within the Mainland (including Benfleet, Thundersley and Hadleigh)	£90
Residential flat within Canvey Island	£30
Sheltered / Retirement and extra care housing	£0
Convenience ⁴ retail for the first 800 sqm gross internal area	£200
Convenience retail for each square metre over 800 sqm gross internal area	£50
Comparison ⁵ retail outside of the town centre boundaries	£200
All other development	£0

12. Determining the proposed rates

Based on the research conducted for the CIL Viability Assessment, different rates have been proposed according to development type, uses and size. The CIL rates vary significantly between houses and flats, and whether developments are located within the Mainland or on Canvey Island.

The Viability Assessment concluded that land prices, development costs, and sales values differ significantly in the Borough between the Mainland and Canvey Island. Development on the Mainland has a greater ability to accommodate a high CIL

⁴ Convenience retail provides lower value good purchased regularly to meet day to day needs such as food, newspapers, petrol etc.

⁵ Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

charge whilst remaining financially viable, in comparison to Canvey Island where associated land prices, development costs, and sales values would not allow new development to remain financially viable alongside a high CIL rate.

The Viability Assessment also identified a difference in the financial viability of developing flats in comparison to houses, due to the additional development costs associated with delivering flats. To enable flats to development to remain viable in the area, a reduced rate of CIL has been proposed.

Based on current market conditions, the viability for non-residential development sites is weak. The Viability Assessment notes that while developments might be built for subsequent sale or rent to a commercial tenant, there will also be development that is undertaken for specific commercial operators either as owners or pre-lets. The Assessment therefore recommends a £0 per sqm rate for town centre office, business park, and industrial / warehouse developments.

The Assessment did however identify scope for introducing a modest CIL charge on convenience⁶ retail uses and on comparison⁷ retail uses retail outside of town centres.

Viability testing indicated a negative headroom for the remaining typologies, therefore it would not be possible to charge a CIL rate on all other types of non-residential developments. The Assessment therefore recommends a £0 rate per sqm for comparison retail inside the town centre, hotels, care homes and all other non residential development.

⁶ Convenience retail provides lower value goods purchased regularly to meet day to day needs such as food, newspapers, petrol etc

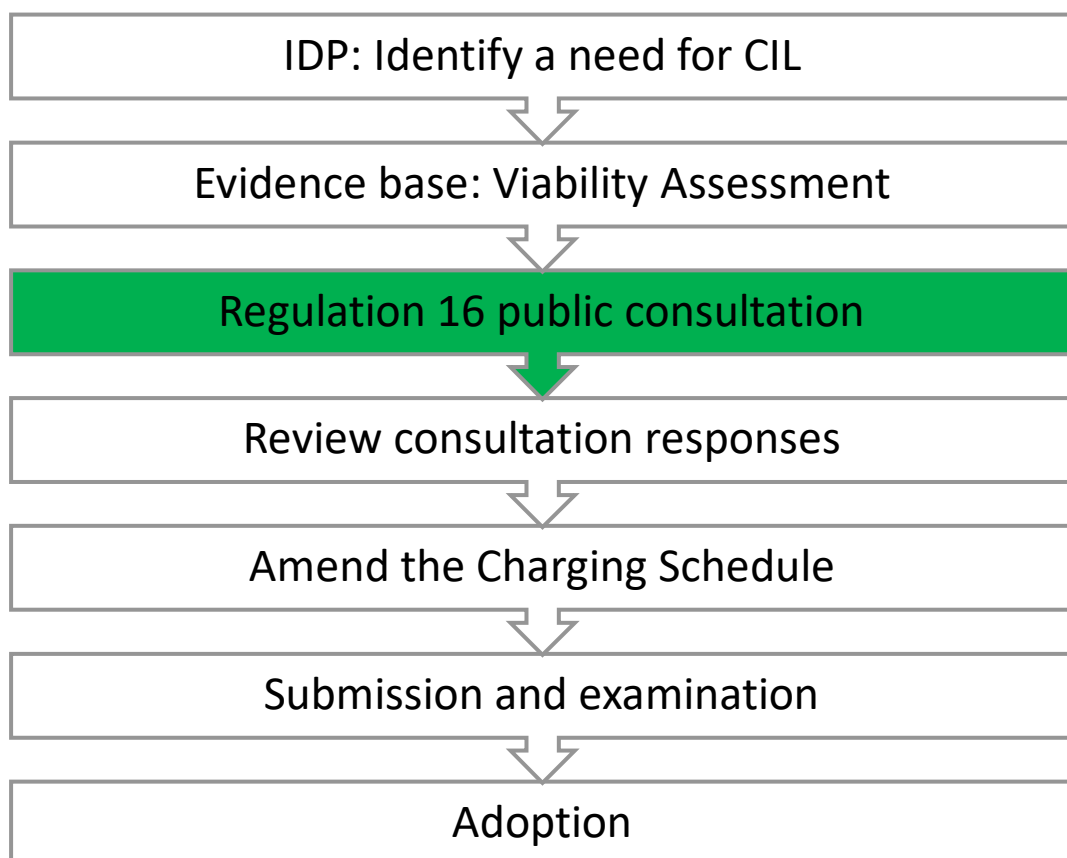
⁷ Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

14. Next steps

Following the conclusion of this Regulation 16 consultation, the Council will review consultation representations and amend the draft Charging Schedule and supporting evidence base documents where necessary. The Council then intends to submit the revised draft Charging Schedule for an Examination in Public.

An Independent Examiner will be appointed to conduct the examination process. During the examination, members of the public can offer their views through hearings or written representations. The examiner will place their recommendations in a report, and will recommend either approval, rejection, or approval with specified modifications to the Charging Schedule.

Following the approval of the Charging Schedule, Levy rates on new development will apply once the Council has formally published the adopted Charging Schedule.



Castle Point Borough Council

Community Infrastructure Levy

Draft Charging Schedule

November 2021

Proposed Community Infrastructure Levy rates

CIL liable development, as defined within the Community Infrastructure Levy Regulations (as amended) 2010 and the Planning Practice Guidance, will be required to pay the following levy rates.

Development type	CIL rate per sqm
Residential housing within the Mainland (including Benfleet, Thundersley and Hadleigh)	£250
Residential housing within Canvey Island	£120
Residential flat within the Mainland (including Benfleet, Thundersley and Hadleigh)	£90
Residential flat within Canvey Island	£30
Sheltered / Retirement and extra care housing	£0
Convenience ⁸ retail for the first 800 sqm gross internal area	£200
Convenience retail for each sqm over 800 sqm gross internal area	£50
Comparison ⁹ retail outside of the town centre boundaries	£200
All other development	£0

Proposed Instalments Policy

The above levy rates are required to be paid to the Council through the following instalments following the provision of a CIL Demand Notice issued by the Council.

Overall CIL liability	Payment instalments
£20,000 or less	Payment in full within 240 days
£20,000 - £50,000	50% paid within 360 days Further 50% paid within 540 days
£100,000 - £500,000	10% paid within 270 days Further 15% paid within 540 days Further 25% paid within 720 days Remaining 50% paid within 900 days
£500,000 or more	Agreement of project specific payment schedule

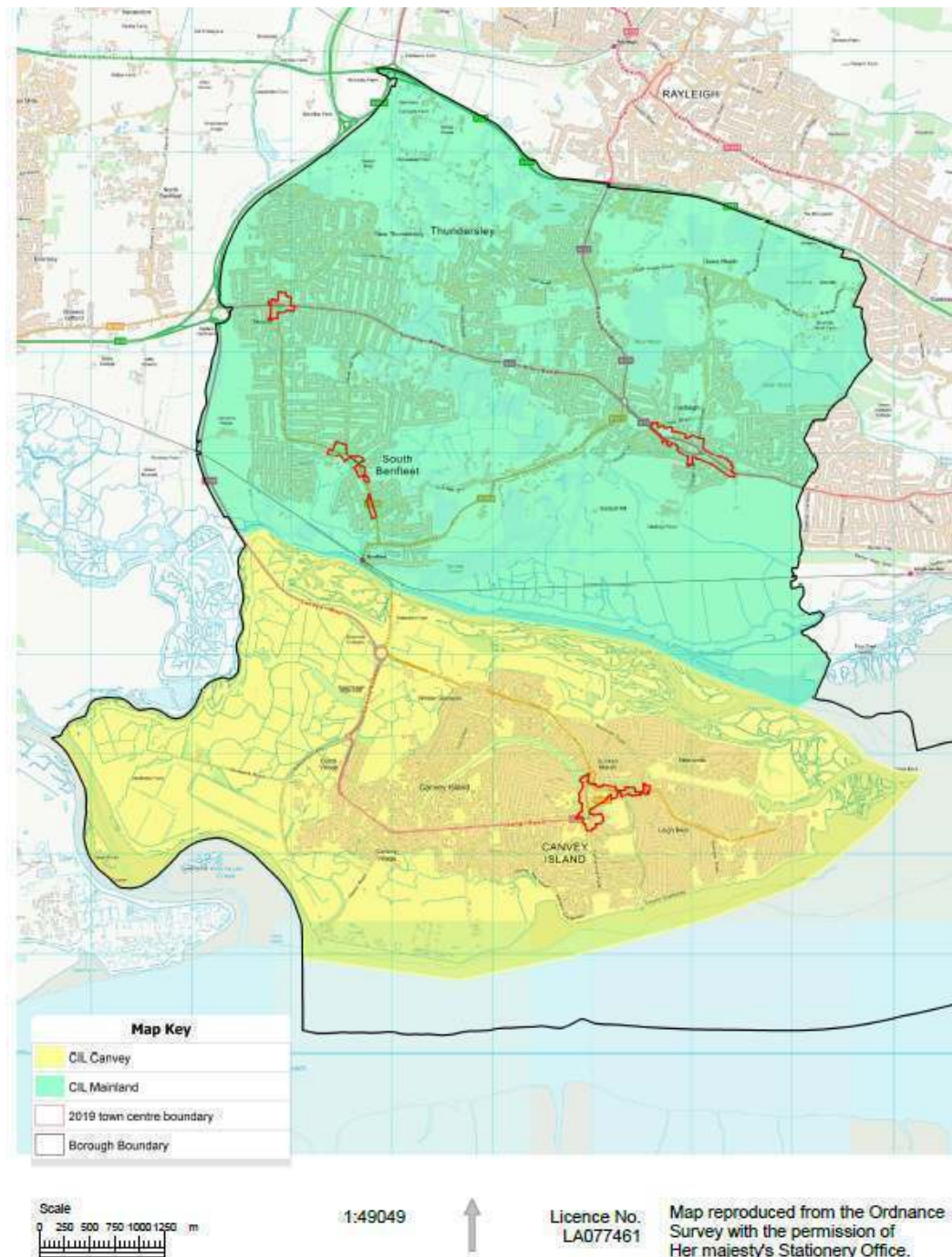
⁸ Convenience retail provides lower value good purchased regularly to meet day to day needs such as food, newspapers, petrol etc.

⁹ Comparison retail provides higher value goods purchased less often, such as household items, electrical goods, clothes, shoes etc.

Settlement Boundaries Map

The CIL Charging Schedule includes variable rates for sites within and outside defined settlement boundaries. The map below presents the areas of the Borough within and outside settlement boundaries which will be subject to the variable CIL rates.

Map showing the different settlement boundaries including the town centre boundaries.



Castle Point Borough Council Community Infrastructure Levy Draft Charging Schedule Consultation



The Community Infrastructure Levy draft Charging Schedule consultation will take place from
Date – # Date 2021

About the consultation

The Council has published the Community Infrastructure Levy (CIL) draft Charging Schedule for public consultation. The production of the draft Charging Schedule has been informed by the CIL Viability Assessment, which considered the ability of different types of development in all areas of the Borough to pay a levy in addition to the normal costs associated with development.

Through this consultation the Council is seeking your views on the draft Charging Schedule and associated evidence base documents. Please provide comments on the draft Charging Schedule by the **TIME AND # DATE** using the consultation response form available on the Council's website www.castlepoint.gov.uk/community-infrastructure-levy-cil/ and from the Council Offices.

What is the Community Infrastructure Levy?

The Community Infrastructure Levy (CIL) is a locally set charge (referred to as a levy) on new development which the Council can choose to introduce. The levy is based on the size and type of development and once set is mandatory to pay and non-negotiable. The funds raised would be distributed by the Borough Council to provide infrastructure which is required to support new development within the local area. This infrastructure could include roads, transport facilities, flood defences, education facilities, medical facilities, sporting and recreation facilities, and open spaces.

Currently when new development proposals are approved by the Council, it is common for an agreement to be made (known as a planning obligation, section 106 agreement or developer contribution) for developers to either provide new or improved infrastructure, or financial contributions towards the provision of new or improved infrastructure in the area. This could include highways improvements, new or improved parks and play facilities, and services and facilities such as new or improved schools and health facilities.

The CIL will not replace the Council's current methods of obtaining infrastructure and funding through planning obligations. The CIL provides an additional mechanism to obtain financial contributions towards new and improved infrastructure.

Why introduce a levy in the Borough?

- It provides a simple and transparent process for the collection of funds and the provision of infrastructure.
- It collects contributions from a wide range of developments to allow the Council to deliver more projects for new and improved infrastructure that not only support growth but benefit the local community.
- It gives the Council flexibility to set its own priorities on projects benefitting the wider community affected by development, unlike section 106 agreements which are more restrictive in their use.
- It is non-negotiable and therefore can save time and cost by reducing the need for negotiations between the Council and developers.
- It is fair, as it relates the amount of the contribution to the size of the development.

How will the levy work?

The levy may be payable on development which creates a new or additional internal area, where the gross internal area of new build is 100 square metres or more. Development which is less than 100 square metres, but which involves the creation of a new house or flat, may also be liable to pay the levy.



Some developments may be eligible for discretionary relief or exemption from the levy. This includes residential annexes and extensions, social housing, charitable development, and houses and flats which are built by 'self-builders'.

How will the Council introduce the Community Infrastructure Levy?

The CIL rates are published within a charging schedule. The Council will specify in the charging schedule what types of development are liable to pay the levy and the relevant rates for these development types.

When setting levy rates, the Council will need to ensure that they do not render new development within the Borough financially unviable, while also ensuring that the levy will provide sufficient funds to support the delivery of new and improved infrastructure. The Council is consulting on a draft charging schedule to provide everyone with the opportunity to give their views on the proposed levy rates.

How to respond

Please provide comments on the draft Charging Schedule using the consultation response form by **DATE # and TIME**. The response form can be downloaded from the Council's website www.castlepoint.gov.uk/community-infrastructure-levy-cil-

Consultation responses should be emailed to planningpolicy@castlepoint.gov.uk or posted to Castle Point Borough Council, Planning Policy, Kiln Road, Thundersley, Benfleet, Essex, SS7 1TF

The draft Charging Schedule and all supporting consultation material and evidence base documents are available to view on the Council's website and at the Council Offices.

For further information, contact the Planning Policy Team directly on 01268 882200, email planningpolicy@castlepoint.gov.uk, or visit the Council website www.castlepoint.gov.uk

Castle Point Borough Council

Community Infrastructure Levy

Draft Charging Schedule Consultation Response Form

Consultation **Date##** – **Date## 2021**

Please return the completed form by no later than **Date##**
to Castle Point Borough Council, Planning Policy, Kiln Road, Thundersley, Benfleet,
Essex, SS7 1TF
or email to planningpolicy@castlepoint.gov.uk

The draft Charging Schedule and all supporting consultation material and evidence base documents are available to view on the Council's website
www.castlepoint.gov.uk/community-infrastructure-levy-cil-
and at the Council Offices.

For further information or support, contact the Planning Policy Team directly on
01268 882200 or email planningpolicy@castlepoint.gov.uk

Contact Information

Personal Details		Tick box if agent <input type="checkbox"/>
Title		
First Name		
Last Name		
Organisation		
Address		
Postcode		
Email address		
Telephone number		

Response

Question 1: The Community Infrastructure Levy (CIL) Viability Assessment informed the production of the proposed rates in the draft CIL Charging Schedule. This document is available to view on the Council website and at the Council Offices.

Do you have any comments on the content of the CIL Viability Assessment?



Contact Castle Point Borough Council:

Website: www.castlepoint.gov.uk

Email: planningpolicy@castlepoint.gov.uk

Tel: 01268 882200

Address: Castle Point Borough Council, Kiln Road,
Thundersley, Benfleet, Essex, SS7 1TF

Question 2: Do the proposed levy rates set out in the draft CIL Charging Schedule appropriately reflect the conclusions of the CIL Viability Assessment?

Question 3: Do the proposed levy rates set out in the draft CIL Charging Schedule provide an appropriate balance between securing infrastructure investment and supporting the financial viability of new development in the area?

Question 4: CIL rates should not be set at a level which could render new development financially unviable. To ensure the financial viability of new development in the area, and to take into account variations in land prices and development costs throughout the Borough, the draft CIL Charging Schedule proposes variable rates for different kinds of development. Do you have any comments on the proposed CIL rates?

Question 5: Should any types of development be charged a different CIL rate, and if so, why?

Where alternative rates are proposed, please provide evidence to demonstrate why a proposed rate should be changed.

Question 6: To support the financial viability of new development in the area, the draft CIL Charging Schedule includes an Instalments Policy which allows specified levels of levy charges to be paid in instalments over a set period of time.

Do you have any comments on the draft Instalments Policy?

Question 7: The Consultation Information Booklet available on the Council website and at the Council Offices provides information on the types of development which would be required to pay the levy. The CIL Regulations allow the Council to give relief or grant exemptions to identified types of the development from paying the levy. The Council has not identified any types of development which may require specific discretionary relief or exemption from paying the levy beyond the compulsory relief outlined in the Regulations.

Is there a need to provide discretionary relief from the levy to any types of development, and if so, why?

Question 8: Do you have any other comments on the draft CIL Charging Schedule?

Examination of the draft CIL Charging Schedule

Following this consultation, the draft Charging Schedule will be submitted to be examined by an independent examiner. By submitting this consultation response, you have the opportunity to participate in any examination hearings.

Please tick the box below if you would like to participate in the examination in public on the draft Charging Schedule:

- ☐ I would like to participate in the draft CIL Charging Schedule examination in public

Future notifications

Please tick the boxes below if you would like to be informed about the future progression of the draft CIL Charging Schedule:

- ☐ I would like to be notified about the future progression of the Draft CIL Charging Schedule, including the submission of the Schedule, the date of the examination, the publication of the recommendations of the independent examiner, and the adoption of the CIL Charging Schedule by the Council.

Data protection

The information provided in this form will be stored on a database used solely in connection with the Castle Point Borough Council CIL Charging Schedule. Consultation representations will be available to view on the council's website, but address, signature and contact details will not be included. However, as copies of representations must be made available for public inspection, they cannot be treated as confidential and will be available for inspection in full.

Signature:	Date:
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Contact Castle Point Borough Council:

Website: www.castlepoint.gov.uk

Email: planningpolicy@castlepoint.gov.uk

Tel: 01268 882200

Address: Castle Point Borough Council, Kiln Road,
Thundersley, Benfleet, Essex, SS7 1TF

Site Ref	Name of Site	Net new dwellings	Area	Proposed CIL rate (per sqm)		Dwelling sizes (per sqm) (4)		Affordable housing		No. of chargeable dwellings		Chargeable area by sqm		Potential CIL contribution		Total CIL contribution(7)	Notes	
				Flats	Houses	Flats (6)	Houses (6)	Affordable housing rate	No. affordable units (3)	Net new dwellings excluding AH	No. flat (H030)	No. houses	Flats	Houses	Flats			Houses
H09	Land west of Benfleet, Benfleet	850	Mainland	£90	£250	55	93	40%	340	510	36	474	1,964	44,110	£176,715	£11,027,475	£11,204,190	
H010	Land between Felstead Road and Catherine Road, Benfleet	89	Mainland	£90	£250	55	93	40%	36	53	4	50	206	4,619	£16,593	£1,154,642	£1,173,145	
H011	Land off Osborn, Benfleet	30	Mainland	£90	£250	55	93	40%	12	18	1	17	89	1,557	£6,237	£389,205	£395,442	
H012	Former WRVS Hall, Richmond Avenue, Benfleet	39	Mainland	£90	£250	55	93	40%	16	23	2	22	90	2,024	£8,108	£505,967	£514,075	
H013	Land east of Rayleigh Road, Hadleigh	455	Mainland	£90	£250	55	93	40%	182	273	19	254	1,051	23,612	£94,595	£5,902,943	£5,997,537	
H014	Land at Brook Farm, Hadleigh	173	Mainland	£90	£250	55	93	40%	69	104	7	97	400	8,978	£35,967	£2,244,416	£2,280,382	
H015	Land south of Scrub Lane, Hadleigh	55	Mainland	£90	£250	55	93	40%	22	33	2	31	127	2,854	£11,435	£713,543	£724,977	
H016	Land at Oak Tree Farm, Hadleigh	65	Mainland	£90	£250	55	93	40%	26	39	3	36	150	3,373	£13,514	£843,278	£856,791	
H017	Hadleigh Island, Hadleigh	52	Mainland	£90	£250	55	93	40%	21	31	31	0	1,716	0	£154,440	£0	£154,440	
H018	Land north of Greenacre Road and Borrowdale Road, Thurdersey	30	Mainland	£90	£250	55	93	40%	12	18	1	17	69	1,557	£6,237	£389,205	£395,442	
H019	Land at Cleabelands, Thurdersey	155	Mainland	£90	£250	55	93	40%	62	93	7	86	358	8,044	£32,225	£2,010,893	£2,043,117	
H020	The Chase, Thurdersey	340	Mainland	£90	£250	55	93	40%	136	204	14	190	785	17,944	£70,686	£4,410,980	£4,481,676	
H021	Land fronting Rayleigh Road, Thurdersey	60	Mainland	£90	£250	55	93	40%	24	36	36	0	1,980	0	£178,200	£0	£178,200	
H022	Land at Thames Loose Leaf, Thurdersey	12	Mainland	£90	£250	55	93	40%	5	7	7	0	396	0	£35,640	£0	£35,640	
H023	Land east of Canvey Road, Canvey Island	300	Canvey Island	£30	£120	55	93	40%	120	180	13	167	693	15,568	£20,790	£1,868,184	£1,888,974	
H024	Land west of Canvey Road (The Terrace), Canvey Island	196	Canvey Island	£30	£120	55	93	40%	78	118	8	109	453	10,171	£13,583	£1,220,547	£1,234,130	
H025	Land at Thorny Bay, Canvey Island	230	Canvey Island	£30	£120	55	93	n/a	0	230	0	230						Site being delivered using extant consent for siting of caravans
H026	Land at The Point, Canvey Island	100	Canvey Island	£30	£120	55	93	25%	25	75	5	70	289	6,487	£8,663	£778,410	£787,073	
H027	Willingham House, Canvey Island	32	Canvey Island	£30	£120	55	93	15%	5	27	27	0						Site already has planning approval, and cannot therefore be charged the CIL
H028	Admiral Jellicoe, Canvey Island	40	Canvey Island	£30	£120	55	93	15%	6	34	34	0						Site already has planning approval, and cannot therefore be charged the CIL
H029	Land south of Haron Close, Canvey Island	24	Canvey Island	£30	£120	55	93	15%	4	20	20	0						Site already has planning approval, and cannot therefore be charged the CIL
H030	Haystack car park, Canvey Island	14	Canvey Island	£30	£120	55	93	15%	2	12	12	0						Site already has planning approval, and cannot therefore be charged the CIL
H031	Kings Park, Canvey Island	50	Canvey Island	£30	£120	55	93	15%	8	43	0	43	0	3,953	£0	£474,300	£474,300	
H032	244 - 258 London Road, Hadleigh	50	Mainland	£90	£250	55	93	40%	20	30	30	0	1,650	0	£148,500	£0	£148,500	
Total		3,441							1229	2,212	320	1,892			£1,034,035	£33,933,994	£34,968,030	

(1) On mixed developments, assumed that 7% of the dwellings allocated will be flats
(2) Sites H017, H021, H022, H027, H028, H029, H030, H032 are assumed to be 100% flats
(3) Sites H025 and H031 are for older peoples housing where no flats or affordable housing will be provided
(4) House and flat sizes are based on the unit sizes tested within the Castle Point Local Plan and CIL Viability Study, Porter PE, 2020
(5) Based on a 3 bedroom property. This is used as an average house size where the exact mix of developments is uncertain at this time
(6) Based on the net internal area of a 1+2 bedroom flat
(7) Please note that all identified CIL contributions in this table are indicative estimates. Final future CIL contributions will vary depending on the final approved housing mix and designs for each development.

CABINET

20th October 2021

Subject: Afghan Locally Employed Staff (LES) Relocation Scheme

Cabinet Member: Councillor Sheldon – Leader of the Council

1. Purpose of Report

To confirm the Council's response to the Government request for assistance with the acceleration of the UK Afghan Locally Employed Staff (LES) Relocation Scheme.

2. Links to Council's priorities and objectives

The Housing service is explicitly linked to Council's priorities of People & Place.

3. Recommendations

1. To confirm that the Council will participate in the UK Afghan Locally Employed Staff (LES) Relocation Scheme
 2. To approve an offer of accommodation and relocation to at least one family under the Afghan Relocation Scheme
-

4. Background

- 4.1 The UK Government initially wrote to all Locally Authority Leaders and Chief Executives in June 2021, requesting support to welcome Afghan Locally Employed Staff (LES) to their home authorities.
- 4.2 This group of Afghan nationals have worked for the UK and risked their lives alongside British forces in Afghanistan over the past twenty years, and now require relocating to the UK with their families. Due to the speed of the Taliban takeover of Afghanistan and the capture of Kabul, the urgency of the situation is critical, with the prospect of retribution against Afghan LES extremely likely.
- 4.3 This follows NATO's decision to withdraw military forces from Afghanistan. The scheme acknowledges and reflects that the situation in Afghanistan has changed, and with it the risk to the local staff who have worked for the UK Government. As a result, the Government are now working at pace to relocate around 5,000 people / families this year.

- 4.4 The situation has developed into a humanitarian crisis and Castle Point Borough Council is requested to consider contributing to resettling those who have worked for the British Armed Forces in Afghanistan.
- 4.5 There are many thousands of Afghan families who in recent weeks arrived as part of the Afghanistan relocation programme, many of whom have found homes and a warm welcome from local authority partners across the UK. However, many are in interim hotel accommodation, unable to settle, find jobs and send their children to school. Since the initial contact the Government has continued to seek support from local authorities to provide the necessary housing and minimise their stays in short term emergency accommodation.
- 4.6 This is a funded programme. Integration support to families coming to the UK under the scheme is provided by local authorities through Home Office grant funding. The integration package includes providing accommodation and a package of advice and assistance covering employment, welfare benefits, access to health and education.
- 4.7 Strategic Migration Partnerships have been established to collate any offers of support from Local authorities.
- 4.8 The key role of the Local Authority is to identify and offer a suitable property for the rehousing of a family within our area. Following the identification of a suitable property Essex County Council are the lead authority in relation to management of the scheme in Castle Point and liaison with the Strategic Migration Partnerships and the Home Office.

5. Corporate Implications

a. Financial Implications

The Afghan relocation Scheme is supported and funded by the Home Office under the Afghan Citizens Resettlement Scheme (ACRS) and the Afghan Relocations and Assistance Policy (ARAP). As this is a funded scheme it is not envisaged that there will be any direct financial implications on the Council.

b. Legal implications

None

c. Human Resources and Equality

Essex County Council are taking the lead and any staffing resource required for the effective resettlement will be met by ECC. Minimal input is required by Castle Point which can be met using existing resources.

d. Timescale for implementation and risk factors

Liaison with ECC and Home Office immediately on identifying a suitable property.

6. Background Papers:

Home Office Afghan Locally Employed Staff – relocations schemes v3.0 Sep 2021

Report Author: Diane Logue - Head of Housing

CABINET

20th October 2021

Subject: Commercial Strategy

Cabinet Member: Councillor Varker – Special Projects

1. Purpose of Report

The purpose of this report is to approve and adopt the Council's Commercialism Strategy.

2. Links to Council's Priorities and Objectives

This report is linked to the all Council priorities and as an Enabler maximising Resources.

3. Recommendations

That Cabinet agree and adopt the Commercialism Strategy.

4. Background

4.1 The Council is not a commercial organisation but is a democratically accountable provider of services that are publicly funded. However, the services which it delivers could be managed with a commercial ethos to whatever degree is politically appropriate.

4.2 Reductions in central government funding, higher user expectations and increased demand for welfare-related services has meant that the public sector, and local government, continues to face a challenging time on many fronts. Adopting a more commercial mindset has been identified as being a way of overcoming these challenges.

5. The Strategy

5.1 The strategy is attached as Annexe A to this report. Within it, eight key principles are looked at:

- 1. Increase collection of Council Tax and Business Rates revenue:**
Ensure services are paid for fairly.

2. **Maximise the amount received in revenue and capital grants:** Ensure that we apply for and are successful in receiving grants to support delivery of our priorities.
3. **Ensure a fair income from fees and charges:** Ensure we obtain a fair income for the services we deliver.
4. **Increase return on our existing assets and explore prudent investment in new assets:** Use the assets we have to their full potential, expand and/or rationalise our asset base where advantageous to do so.
5. **Deliver services in the most appropriate ways:** Deliver Council-run services in the most efficient and effective way and explore alternative methods of service delivery.
6. **Procure goods & services in the best way:** Purchase only goods and services that are essential, and at the best available cost.
7. **Promote the Borough & the Council:** Actively promote our Borough and the services the Council provides.

5.2 The strategy also sets out a work programme to deliver against these eight key principles in the short, medium and long term. This work programme, when delivered, will significantly contribute towards the Council's overall aim of moving to a position of financial self-sustainability and no longer being reliant on increasingly uncertain funding from Government.

6. Corporate Implications

(a) Financial Implications

There are no direct financial implications arising from this report. The actions to be taken to deliver against the strategy and the workplan it contains are expected to have a favourable financial impact.

(b) Legal Implications

There are no direct legal implications arising from this report. Within the strategy, paragraphs 3.11 and 3.12 set out the legislation which will allow some of the actions arising in delivery of the strategy.

(c) Human Resources and Equality Implications

There are no direct human resources and equality implications arising from this report. However, one of the principles within the strategy is reputation and behaviour which outlines that all employees will be expected to think in a more commercial way. Paragraph 4.32 within the strategy explains this in more detail.

(d) IT and Asset Management Implications

There are no direct IT and asset management implications arising from this report. However, one of the key principles within the strategy is increasing the

return on our existing assets and being proactive with asset management and therefore implications could arise in the future in delivery of the strategy. Any decisions required at that point will follow the appropriate governance process.

7. Timescale for implementation and Risk Factors

Once the strategy is approved by Cabinet work will commence on delivery of the workplan.

8. Background Papers

None.

Report Author:

Lance Wosko, Financial Services Manager (Deputy S151 Officer)

STRATEGY FRONT COVER



Name of Strategy / Policy: Commercialism Strategy

Date last updated: New Strategy (October 2021)

Links to Council Priorities:

Priority	Linked Yes / No?
Environment	No
Housing & Regeneration	No
Health & Community Safety	No
Commercial and Democratically Accountable Council	Yes

Links to Other Strategies and Policies

Corporate Plan / Financial Planning Strategy & Medium-Term Financial Forecast / ICT Strategy

SMART Action Plan in this document?

Yes

Actions linked to corporate plan objectives.

Yes

Name of lead officer responsible for producing the action plan:

Chris Mills – Strategic Director (Resources)

Phone: 01268 882215

E-mail: cmills@castlepoint.gov.uk

Name of lead Member and Member body responsible for monitoring implementation of the action plan:

Cllr P Varker – Cabinet Member for Special Projects (Deputy Leader of the Council)

Equality impact assessment undertaken:

Any decision taken or initiative planned using this strategy as a guide will be subject to the appropriate equality impact assessment

Sustainability appraisal undertaken:

Any decision taken or initiative planned using of this strategy as a guide will be subject to the appropriate equality impact assessment



Commercialism Strategy

Becoming a self-sufficient organisation

Copies of the Council's Strategies and Policies can be obtained at the Council Offices or on our website at www.castlepoint.gov.uk.

Produced by: Strategic Director (Resources)

Date of next review: October 2024

Approved by:

- Executive Management Team
- Cabinet

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1. Introduction

- 1.1 The council is not a commercial organisation but is a democratically accountable provider of services that are publicly funded. However, the services which it delivers could be managed with a commercial ethos to whatever degree is politically appropriate.
- 1.2 Reductions in central government funding, higher user expectations and increased demand for welfare-related services has meant that the public sector, and local government in particular, continues to face a challenging time on many fronts. Adopting a more commercial mindset has been identified as being a way of overcoming these challenges.

2. Background and Context

- 2.1 Nationally, local government finance has been under great pressure for many years. With austerity measures taken by the Government causing significant reductions to, and in the case of Castle Point total cessation of, Revenue Support Grant, as well as changes to Redistributed Business Rates and New Homes Bonus, local authorities have had to find alternative ways to fund the services they provide.
- 2.2 At the same time as reducing government funding, local authorities have also had to cope with increasing service pressures. Some of these pressures have been the result of absorbing responsibilities that were previously held by the Government (for example, the replacement of Council Tax Benefit with a locally funded Council Tax Support scheme) whilst other pressures have arisen from increases to the National Living Wage, increased demand for existing services, price pressures on the goods and services the Council purchases and more recently the impact of a world-wide pandemic with uncertain implications for the future of Council services and revenue streams.
- 2.3 Local authorities have responded to this challenging set of circumstances in a variety of ways, but these tend to fall into the same themes
 - a) Efficiencies – making tweaks to existing services, streamlining processes and often reducing staffing, but with the service still being provided in much the same way as before.
 - b) Transformational changes – redesigning services to deliver them in a completely different way at much reduced cost, often with a reduced service offer.
 - c) Service cessation – local authorities provide a number of non-statutory services. Whilst often unpopular with the public, many local authorities have either completely ceased providing some services or have passed them on to private or third sector organisations.
 - d) Tax increases – increasing Council Tax each year, often by the maximum permitted without requiring a local referendum.
 - e) Income generation – reviewing fees and charges.
 - f) Maintaining earmarked reserves to help manage fluctuating cost pressures.
- 2.4 Whilst Castle Point has successfully managed a number of savings and initiatives in previous years in order to deliver a balanced budget, the challenges continue and the Medium Term Financial Forecast indicates that more needs to be done to balance budgets in future years.
- 2.5 It is this continuing challenge which has seen many local authorities start moving towards a more commercial mindset and model of operations, reinvigorating the delivery of savings and efficiencies but also seeking new income opportunities.

- 2.6 Each year, the Council publishes its Policy Framework and Budget Setting report which sets out in more detail the background and challenges being experienced by local government and, specifically, the Council.

3. The need for a new approach

- 3.1 It is clear from the sections above that financial pressures are increasing and require a response that goes beyond cost reductions through “salami slicing” of budgets and organisational redesign. Any approach to commercialism needs to look at both expenditure and income, and what is now required is a step-change in our culture and approach.

Adopting positive traits associated with a commercial organisation

- 3.2 Becoming a commercial organisation is not something that will happen overnight. It requires careful planning, a shift in culture and importantly buy-in and ongoing support from senior leadership, both officers and councillors.

The case for financial self-sufficiency

- 3.3 Traditionally local government has been dependent on two main sources of funding in order to deliver services: Council Tax and central government funding. Restrictions on the ability to raise local taxation, and a reluctance to charge full cost for discretionary services, has led to significant dependence on central government funding with dire consequences for some authorities now that external funding has diminished substantially. Greater emphasis is now placed on locally raised revenue streams such as service specific fees & charges, and charges for discretionary functions. The table below demonstrates how the funding proportions of the Council have altered over the last ten years and provide context.

Funding profile 10-year comparison	2011/12		2021/22	
	£000's	%	£000's	%
Local Council Tax	(7,360)	45%	(8,311)	47%
Business Rates, Revenue Support Grant, New Homes bonus, Ctax freeze support Grant and s31 Grant - net of levy and tariffs	(5,159)	31%	(3,095)	17%
Local Fees and Charges, Sales, Rents and Memberships	(3,952)	24%	(6,311)	36%
Total funding for local services	(16,471)		(17,717)	

- 3.4 As the table shows, in 2011/12 local services were funded by 45% Local Council Tax, 31% Business Rates and central government grants and 24% revenue raised locally. By 2021/22 the proportions will have shifted to 47%, 17% and 36% respectively. Overall, tax and grant funding sources have reduced by 9% which has had to be offset by increased fees and charges.
- 3.5 For comparison, the change in CPI over the same period is reported as 15.57% which clearly demonstrates the financial pressure which local government has needed to respond to in order to continue delivering services.
- 3.6 This response has been through streamlining services, adopting smarter ways of working, smarter procurement and reducing discretionary spend. Castle Point embarked on a programme of organisation-wide service reviews, including exploration of shared service arrangements with neighbouring authorities. The Council continues with this programme of work in order to keep pace with ongoing funding reductions.

- 3.7 Examples of successful projects during this period include refurbishment of leisure facilities at Waterside Farm and Runnymede Leisure Centres, enabling the redesign and re-launch of services provided at these facilities; service reviews for Revenues and Benefits, First Contact, Environment, Facilities and Fraud; and re-procurement of key external contracts in respect of Grounds Maintenance & Street Cleansing and the managed service for Information, Communications and Technology (ICT). These have all contributed significantly to reducing the Council's net operational spend. In total approximately **£8m** of accumulated cost reductions have been achieved through this work programme.
- 3.8 From 2018/19 the Council continued to focus on projects with a longer delivery timeframe. These include the Paddocks community facility on Canvey Island. Operational costs for a future facility at this site are yet to be determined and significant capital investment will be required which must also be serviced from existing resources. Regeneration of the Canvey seafront has potential to enhance the seafront for residents and visitors, whilst also increasing overall economic gain. This project will also require significant investment and the Council has been successful with a bid for Coastal Communities Funding in support of the project to the value of **c£1.5m**.
- 3.9 A cabinet meeting in January 2019 presented the outcome of a review of car parks within the borough and resulted in the extension of chargeable periods of parking at the Council's seafront car parks, provision of new chargeable car parking at the seafront (as part of the Canvey Island seafront masterplan) and increases to car parking charges to the Council's car parks throughout the borough. Car parking charges were reviewed again in 2021 and the Council agreed not to increase charges at its town centre and seafront car parks in order to support business recovery post covid-19.
- 3.10 The Council recognises that it needs to continue to actively pursue other sources of income, maximise fees & charges and introduce innovative and radical changes to the way in which services are delivered in order to achieve financial self-sufficiency in the medium to longer term.

The legal position

- 3.11 A number of different pieces of legislation allow the Council to operate in a more commercial way.
- Section 1 Local Authorities (Goods and Services) Act 1970 enables a local authority to enter into an agreement to provide another local authority with goods and services, including administrative, professional or technical services.
 - Section 113 Local Government Act 1972 allows a local authority to enter into an agreement with another local authority to place its officers at the disposal of other local authorities, subject to consultation with staff.
 - Local government's power to trade is evolving and is set out in the Local Government Act 2003 and in the Localism Act 2011 which gives councils a greater General Power of Competence to trade and charge, to borrow and to invest prudently.
 - The Public Services (Social Value) Act 2012 also provides councils with commissioning obligations and the power to benefit from responsible procurement.
- 3.12 Whilst the general power of competence in the Localism Act 2011 built on existing powers to charge and trade, if a local authority wishes to trade on a commercial basis, this must be

carried out through a company¹. Any local authority that sets up a company must produce a business case before doing so – this is set out in Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009 s12009/2393 Regulation 2. Any profits made by the company can be re-invested in other council services.

4. Commercialism definition and key principles

Definition

- 4.1 The expression “Commercialisation” has many interpretations and encompasses a range of behaviours which may or may not be applicable to this organisation. It is a broad subject and can apply to many different areas. The Capita report, ‘*Creating council commercialism – A conversation*’ November 2013, notes how it can be difficult to precisely define what commercialism means for councils:

‘Commercialism means different things to different people and is being implemented in different ways all over the country. This is a good thing – local government is enjoying a flowering of diverse approaches to problems as well as more freedom to act than previously. There is not – and there shouldn’t be – one right approach to commercialism, nor just one useful definition.’

Therefore, the approach we are taking is to establish a set of Commercial Principles to express how the term will be applied specifically by this Council with the **overall aim of moving to a position of financial self-sufficiency**. These principles have already been adopted by the Council and the narrative below defines precisely how far the Council wishes to go in order to meet each principle.

Key principles

- 4.2 The following eight key principles have been established:
1. **Increase collection of Council Tax and Business Rates revenue:** Ensure services are paid for fairly.
 2. **Maximise the amount received in revenue and capital grants:** Ensure that we apply for and are successful in receiving grants to support delivery of our priorities.
 3. **Ensure a fair income from fees and charges:** Ensure we obtain a fair income for the services we deliver.
 4. **Increase return on our existing assets and explore prudent investment in new assets:** Use the assets we have to their full potential, expand and/or rationalise our asset base where advantageous to do so.
 5. **Deliver services in the most appropriate ways:** Deliver Council-run services in the most efficient and effective way and explore alternative methods of service delivery.
 6. **Procure goods & services in the best way:** Purchase only goods and services that are essential, and at the best available cost.
 7. **Promote the Borough & the Council:** Actively promote our borough and the services the Council provides.
 8. **Reputation & behaviour:** Operate at the highest standard of efficiency and effectiveness and encourage confidence and trust as a service provider of commissioner of services.

¹ Where a local authority has statutory responsibilities to provide specific services, these services cannot be provided on a commercial basis, although additional service levels beyond the required minimum can be.

- 4.3 The following paragraphs focus on each of these principles and provide contextual information as well as details about work already in progress as well as further activity we will undertake.

Principle 1: Increase collection of Council Tax and Business Rates revenue

- 4.4 More than half of funding for local services comes from Council Tax, Business Rates and Government grants. Clearly, it is in the Council's interest to increase the revenue it receives from these sources. However, with plans to implement changes to Business Rates retention in the near future, which may result in less revenue from business rates being retained by the Council, there is even more incentive to ensure that local services are paid for fairly through locally-raised revenue.
- 4.5 The Council will therefore increase collection of Council Tax and Business Rates revenue by:
- Continuing to work with local residents and businesses to collect and recover revenue due to the Council in a fair and transparent way.
 - As part of the annual Policy Framework and Budget Setting report, putting forward to Members the case for applying a Council Tax increase to allow the continuation of existing services and the potential for investment in improvements to these services.
 - Work with the County Council and external partnerships to maximise regeneration and employment opportunities, making the borough a place where businesses can grow and be successful.

Principle 2: Maximise the amount received in revenue and capital grants

- 4.6 Increasingly, the Government is supplementing more universal forms of grants to local government with specific grants which are allocated through a competitive bid process. Other funding opportunities, such as Lottery Funding, also exist.
- 4.7 Not every grant on offer will be suitable for the Council – which does not have the capacity to apply for everything available – so there should be more of a planned approach to understanding what grants are available and then applying for those which can help the Council to deliver its priorities.
- 4.8 Recent examples of successful grant applications include:
- **£1.5m** funding from Round 5 of the Coastal Communities Fund for a **£1.7m** regeneration scheme at Thorney Bay. This scheme will deliver significant benefits to the community.
 - **£700k** funding in respect of the Labworth Car Park from the South East Local Enterprise Partnership (SELEP), Getting Building Fund.
- 4.9 The Council will therefore maximise the amount received in revenue and capital grants by:
- Identifying the best methods of searching for potential opportunities.
 - Creating a good-practice guide on applying for grants.
 - Ensuring that as part of any new project a funding search is completed; and
 - Establishing a virtual “centre of excellence” to share learning from grant applications (both successful and unsuccessful) and support future applications

Principle 3: Ensure a fair income from fees and charges

- 4.10 Councils have legal powers to charge for a wide range of the services they provide in order to recover the costs of providing those services. Where users of services are not charged for the full associated cost (as is the case at Castle Point), the shortfall is borne by all Council Tax-payers in the borough.
- 4.11 Self-sufficiency will require the Council to increase cost recovery for discretionary and chargeable functions so that a larger proportion of Council Tax revenue may be utilised to fund non-chargeable and mandatory services.
- 4.12 There is a wide variation in levels of charging between district councils with the same responsibilities. A recent benchmarking exercise undertaken by LG Futures, based on data for 2019/20, identified that Castle Point's overall income to expenditure ratio was 24.2% compared to the all England average of 25.2% - ranking 88 (118) out of 187 (192) comparable authorities (rankings for previous year shown in brackets).

Extract from LGFutures report:

Summary of Key Points

Overview

- This report contains information from the latest (2019/20) Revenue Outturn returns on the level of sales, fees and charges for your authority as a proportion of total service expenditure. This is referred to as the **income-to-expenditure ratio**. The report can act as an initial guide for further investigation into areas where this ratio appears inconsistent with similar authorities.*

Potential Revenue Gains / Losses

- The *notional* gains or losses that would occur by setting your authority's income-to-expenditure ratio, across all services, equal to:
 - The **top 20%** of authorities in England:  gain of **£3.2m**
 - The **median** of authorities in England:  loss of **£0.5m**

Overall Sales, Fees and Charges

- In 2019/20, Castle Point's income-to-expenditure ratio was 24.2%, higher than the nearest neighbour average (of 23.0%) and lower than the England average (25.2%).



- Castle Point's ratio was ranked 7th highest out of 16 nearest neighbours, and 88th highest out of 187 comparable authorities in England.

- Between 2018/19 and 2019/20, your authority's total sales, fee & charges increased by 17.4%.



- 4.13 The Council will therefore look to increase revenue through fees & charges by:
- Regularly revisiting its Charging Policy to ensure that it is consistent, clear and fair to both the direct users of services and the general Council Taxpayers in the borough.
 - Understanding the true cost of discretionary and chargeable functions and levels of subsidisation.

- Ensuring that fees and charges are set on a full cost recovery basis unless limited by law or this would cause them to be uncompetitive in the local market.
- Allowing managers to use discretion to vary case by case fees and charges where there is a clear benefit and contribution to a Council priority which outweighs any reduced income.
- Working to reduce the level of subsidisation of chargeable and discretionary services to ensure that Council Tax is fully utilised in support of non-chargeable and mandatory services and functions.
- Adopting appropriate procedures for the collection of fees & charges to minimise the risk of non-collection.
- Utilising new technology to make payment of fees and charges quick and convenient.
- Ensuring that these principles and procedures are fully and consistently applied by all applicable services; and
- Identifying new sources of revenue through an Income Generation Strategy

Principle 4: Increase return on our existing assets and explore prudent investment in new assets

- 4.14 Owning assets costs money. If the income generated by their use does not cover the cost of running the assets then the shortfall is borne by all Council Tax-payers in the borough. As budgets are squeezed still further the Council will have to proactively review its assets to ensure that they are being used to their full potential and are affordable in terms of both ongoing capital and revenue costs. The Council will therefore continue to review its assets to ensure that the best outcomes are achieved for the Council Tax- payer.
- 4.15 Examples of work recently completed or currently in include:
- Review of the Paddocks community facility.
 - Conversion of squash courts in order to maintain customer base and increase revenue; and
 - Negotiations with third party organisations for occupancy of vacant office accommodation at Kiln Road.
- 4.16 We also recognise that prudent investment in new assets can help the Council to deliver its longer-term strategic aims as well as generating a potential income stream/cost reduction to help support the delivery of our services. Investment in new assets is at an early exploratory stage although the Council has recently invested in the Knightswick Centre on Canvey Island as well as acquiring new social housing using Right To Buy receipts.
- 4.17 The Council will increase returns on existing assets and explore investment in new assets by:
- Being proactive in its asset management, rationalising assets used and maximising revenue, including a comprehensive review of all leases.
 - Maintaining our buildings and facilities so that they are attractive to hirers and users of our facilities.
 - Promoting our income-generating facilities (ensuring as far as possible, ensure that such facilities are self-funded).
 - Undertaking a “gap analysis” and ensure that current practices are brought into line with our commercial principles; and

- Establishing specific principles around further investment in new assets, including for assets held both inside and outside of the borough purely for investment purposes.

Principle 5: Deliver services in the most appropriate ways

- 4.18 Customer expectations regarding the quality and scope of public services are increasing and customers now expect more personalised and convenient ways to access the services they require, in particular through the use of smart technology. Local authorities are expected to do new things with reduced resources and to be accessible 24/7.
- 4.19 The Council will look at more innovative ways to deliver services to residents whilst also reducing costs, principally by:
- Undertaking service reviews where reasonable opportunities are thought to exist to ensure that they focus on customer need and reduce waste within the confines of a traditional service.
 - Using technology to transform the way that the Council currently works, maximising process automation where cost effective.
 - Reducing spending commitments by delivering more for less.
 - Utilising “invest to save” initiatives decisions about which are informed by robust business cases including whole life cost of policy decisions.
 - Reviewing workforce planning, management and core skills (including re-skilling) to ensure staff resources are appropriately trained and effectively employed.
 - Seeking new opportunities, for example cost sharing with partners; and
 - Investigating opportunities for alternative service delivery through, for example:
 - Partnerships or service level agreements with other councils, public bodies, voluntary and third sectors.
 - Wholly-owned Council companies.
 - Joint ventures; and
 - Contracts with private companies
- 4.20 On the final bullet point in 4.19, there is a trade-off between opportunity for business growth and risk. This is illustrated by the diagram below. Clearly, decisions to trade services will need to give consideration to the Council’s appetite for risk. In the case of establishing a company, a robust business case must be produced (see section 3.12 for the law around this).



Source: Copeland DC Commercial Strategy, referenced Association for Public Service Excellence

Principle 6: Procure goods & services in the best way and manage their delivery

- 4.21 Where it has been determined that the private sector is best placed to provide goods and services to or on behalf of the Council we need to ensure that the Council is maximising the value for money from these contractual relationships.
- 4.22 The Council has a comprehensive Procurement Toolkit and we are supported by the Braintree Procurement Hub which provides the Council with advice and expertise. Wherever possible, the Council uses existing public sector frameworks to take advantage of a simplified procurement process and reduced prices because of economies of scale.
- 4.23 Nevertheless, there is still much that can be done working with existing suppliers to ensure that they are performing well against the terms of the contract and continue to be the most appropriate method of service delivery.
- 4.24 The Council will look to procure goods and services in the best way by:
- Updating the Procurement Toolkit to include a more robust challenge about the decision to procure goods and services through a contractual relationship with the private sector
 - Introduce more challenge where proposals are made for contracts to be extended
 - Ensure robust contract management once contracts are let, with providers being challenged where performance falls short of expectations
 - Review of variable costs to ensure the most appropriate contracting method is used
 - Reviewing our procurement procedures and revisit our agreed list of current suppliers.

Principle 7: Promote the Borough & the Council

- 4.25 The Castle Point Borough has untapped potential. Flanked by a unitary council to the east and a large borough council to the west, there is a risk that the Council and the Borough exist in their shadows. However, Castle Point is well-connected with rail and road links into London and access to other major trunk roads across the county of Essex.

- 4.26 There is also a significant amount of natural beauty in the Borough: large amounts of green open space, including country parks around Hadleigh Castle and Canvey Heights; two Sites of Special Scientific Interest (rare heathland at Thundersley Common and coastal wetland at Canvey Wick); and an RSPB nature reserve at West Canvey Marshes. Castle Point as the “green lungs” of south Essex is a selling point that is currently overlooked.
- 4.27 Castle Point is no longer considered a tourist destination with many tourists travelling further east to Southend. However, historically Castle Point was a popular place to visit including in the Victorian era, when the air was promoted as having healing properties, up until the 1970s when cheap package holidays abroad became popular. Nevertheless, there is potential for the Canvey seafront which is included in a regeneration programme for the Borough.
- 4.28 The Council itself whilst delivering services to residents and businesses does not tend to shout loudly about its achievements. However, it is an organisation that can punch above its weight and is doing so by leading key workstreams for South Essex 2050 project under the umbrella of the Association of South Essex Local Authorities. A Peer Challenge by the Local Government Association in 2018 identified that the approach to communications could be improved to make residents more aware of the services and activities the Council is involved in.
- 4.30 We will look to promote the Borough and the Council by:
- Developing a Marketing and Promotions strategy.
 - Developing a Communication strategy.
 - Working with Visit Essex to promote what’s on in the Borough and what the borough has to offer; and
 - Developing the website to promote the Borough’s assets and to give new residents to the Borough a one-stop shop for all they need to know.
 - Increase our use of social media to promote the Council’s activities and achievements.

Principle 8: Reputation & behaviour

- 4.31 This final principle is an overarching principle and we will give regard to this when following the other principles and implementing the actions in strategy. As a direct provider of services, the Council will continue to operate at the highest standard of efficiency and effectiveness and encourage confidence and trust as a service provider. Where services are provided on behalf of the Council, we will ensure that these same high standards are met to the point where residents and businesses are unable to tell which organisation is the provider.
- 4.32 We also need our employees to think in a more commercial way. This is not about devising ways to maximise income at the expense of service quality, rather, it is changing mindsets to identify opportunities in any parts of the council to either reduce costs or increase income. It is also about ensuring that were new ideas are proposed they are given full consideration.
- 4.33 We will look to further improve our reputation and change behaviour by:
- Including Commercial Acumen as a core behaviour for all employees, to a lesser or greater extent depending on the role.
 - Introducing an Idea Incubation Process (see Appendix 2).
 - Improving systems to deliver timely and relevant business intelligence, reducing the Council’s time from data to decision.

- Ensuring where new ideas are implemented, they are performance managed and, if necessary, allowed to fail fast; and
- Developing technology to allow greater self-service by residents and businesses, improving the customer experience.

5. Commercialism Work Programme

- 5.1 Some of the current planned activity has been listed in the previous section and this will inform an action plan to be included as a future appendix to this strategy once more exploratory work has been carried out (see below). The approach is to split work into three phases covering the short-, medium- and long-term.

Short term: Identifying Opportunities (2021/22)

- 5.2 Much of the activity in the short-term will be about identifying the opportunities and further defining the approach to becoming a commercial council.
- 5.3 In this phase, we will make use of our contacts at other councils and various resources that are made available online, such as those from the Local Government Association (LGA). It is during this phase that we will identify any “quick wins” for implementation as well as those opportunities which will take more time to implement.
- 5.4 We will also establish the areas of the Council’s business which would derive the greatest benefit from a more commercial approach. In these areas, we will undertake a gap analysis to arrive at an assessment of preparedness. It is likely that the way we do certain things will need to change; it may be that the services we prioritise need a degree of reshaping in order to equip employees to work in different and more commercially-effective ways.
- 5.5 During this phase, we will also develop our commercial programme, a commercial risk register and ideas around commercial behaviour of our employees.
- 5.6 We will introduce the Idea Incubation Process. This process will be designed to allow all employees to put forward ideas which have potential to reduce costs or generate income. The process will see ideas quickly assessed for potential and outline proposals developed where potential exists. The process is set out in Appendix 2

Medium term: Implementing Quick Wins and Developing a Programme of works (2022/23 and 2023/24)

- 5.7 In 2022/23, we expect to see the implementation of many of the “quick wins” identified in the previous year. We will also see the implementation commence for some of the medium-term projects.
- 5.8 Over the medium-term we will work with those services identified as deriving the greatest benefit from a more commercial approach. Depending on the assessment of preparedness, some services may start to implement commercial initiatives.
- 5.9 During this period, we will introduce, where appropriate, commercial behaviours into the appraisal process.

Long term: Financial self-sufficiency (2024/25 onwards)

- 5.10 In the long-term, the Council will have established a cycle of identifying and implementing commercial opportunities; it will become part of “Business as Usual”. Most employees will be appraised against commercial behaviours and will have commercially-related objectives in their Personal Performance and Development Plans (PPDPs).
- 5.11 From this point onwards, all services identified as benefitting from a more commercial approach will have made progress, including providing services to other local authorities. There may be some services which are ready to move closer to full trading arrangements and long-term work will focus on ensuring that such services (and the legal and governance arrangements in which they operate) are ready to make this next step.
- 5.12 We expect by this stage that the Council will reap the benefits of this new approach and will have made significant steps to becoming a financially self-sufficient organisation. Income from commercial activities will be re-invested in the services we deliver and there will be a strong culture of commercialism at all levels of the Council.

Appendix 1 – Detailed Activity

In the longer term, it is envisaged that the identification and progression of commercial opportunities becomes business as usual. By 2023/24, it is expected that the Council is starting to reap the benefits from work in earlier years with most, if not all, of the viable ideas and improvements being implemented. The next phase of the strategy will be required to take stock of progress to date, identify any shortcomings and maximise any new and emerging best practice.

Short Term (2021/22-2022/23)	Medium Term (2022/23-2023/24)	Long Term (2024/25 onwards)
Increase collection of Council Tax and Business Rates revenue		
<ul style="list-style-type: none"> • Ensure that council tax and business rate debts are paid and review any discounts that are applied for appropriateness. • As part of the annual Policy Framework and Budget Setting report, putting forward to Members the case for applying a Council Tax increase to allow the continuation of existing services and the potential for investment in improvements to these services. 	<ul style="list-style-type: none"> • Work with the County Council and local external partnerships to maximise regeneration and employment opportunities, making the borough a place where businesses can grow and be successful 	
Maximise the amount received in revenue and capital grants		
<ul style="list-style-type: none"> • Identify the best methods of searching for potential funding opportunities • Embed external funding search as part of project planning documentation 	<ul style="list-style-type: none"> • Create a good-practice guide on applying for grants • Establish a virtual “centre of excellence” to share learning from grant applications (both successful and unsuccessful) and support future applications 	
Ensure a fair income from fees and charges		
<ul style="list-style-type: none"> • Regularly revisit the charging policy to ensure that it is consistent, clear and fair to 	<ul style="list-style-type: none"> • Work to reduce the level of subsidisation of chargeable and discretionary services to 	<ul style="list-style-type: none"> • Ensure that fees and charges are set on a full cost recovery basis unless limited by

<p>both the direct users of services and the general Council Taxpayers in the borough</p> <ul style="list-style-type: none"> • Understanding the true cost of discretionary and chargeable functions and levels of subsidisation 	<p>ensure that Council Tax is fully utilised in support of non-chargeable and mandatory services and functions</p> <ul style="list-style-type: none"> • Adopt appropriate procedures for the collection of fees & charges to minimise the risk of non-collection • Utilise new technology to make payment of fees and charges quick and convenient • Identify new sources of revenue through an Income Generation Strategy 	<p>law or this would cause them to be uncompetitive in the local market</p>
<p>Increase return on our existing assets and explore prudent investment in new assets</p>		
<ul style="list-style-type: none"> • Review of the Paddocks community facility. • Conversion of squash courts in order to maintain customer base and increase revenue; and • Negotiations with third party organisations for occupancy of vacant office accommodation at Kiln Road. • Maintain our buildings and facilities so that they are attractive to hirers and users of our facilities • Promote our income-generating facilities (ensuring as far as possible, ensure that such facilities are self-funded) • Undertaking a gap analysis and ensure that current practices are brought into line with our commercial principles 	<ul style="list-style-type: none"> • Being proactive in its asset management, rationalising assets used and maximising revenue, including a comprehensive review of all leases • Establishing specific principles around further investment in new assets, including for assets held both inside and outside of the borough purely for investment purposes 	

Deliver services in the most appropriate ways		
<ul style="list-style-type: none"> • Develop a plan of appropriate service reviews • Reduce spending commitments by delivering more for less • Maximise the benefit from joining the Essex Commercial Network, a group of Essex local authorities working together to identify income and savings opportunities 	<ul style="list-style-type: none"> • Undertake a series of service reviews to ensure that they focus on customer need and reduce waste within the confines of a traditional service • Use technology to transform the way that the Council currently works • Utilise “invest to save” initiatives decisions about which are informed by robust business cases including whole life cost of policy decisions • Review workforce planning, management and core skills (including re-skilling) to ensure staff resources are appropriately trained and effectively employed • Seek new opportunities, for example cost sharing with partners • Investigate opportunities for alternative service delivery through, for example: <ul style="list-style-type: none"> ○ Partnerships or service level agreements with other councils, public bodies, voluntary and third sectors. ○ Wholly-owned Council companies. ○ Joint ventures; and ○ Contracts with private companies 	

Procure goods & services in the best way		
<ul style="list-style-type: none"> Update the Procurement Toolkit to include a more robust challenge about the decision to procure goods and services through a contractual relationship with the private sector 	<ul style="list-style-type: none"> Introduce more challenge where proposals are made for contracts to be extended Review of variable costs to ensure the most appropriate contracting method is used 	
Promote the Borough & the Council		
<ul style="list-style-type: none"> Work with Visit Essex to promote what's on in the Borough and what the borough has to offer Develop the website to promote the Borough's assets and to give new residents to the Borough a one-stop shop for all they need to know 	<ul style="list-style-type: none"> Developing a Marketing and Promotions strategy Developing a Communication strategy 	
Reputation & behaviour		
<ul style="list-style-type: none"> Introduce the Idea Incubation process 	<ul style="list-style-type: none"> Including Commercial Acumen as a core behaviour for all employees Improve systems to deliver timely and relevant business intelligence, reducing time from data to decision New ideas implemented, performance managed and, if necessary, allowed to fail fast Develop technology to allow greater self-service by residents and businesses, improving the customer experience 	<ul style="list-style-type: none"> Most employees will be appraised, to differing extents, against commercially minded behaviours and commercially orientated objectives

Appendix 2 – Idea Incubation Process

Whilst small and simple ideas can just be implemented, ideas for something new or which require substantial change will need to follow the process below.

