Cabinet Agenda

13 October 2026 at 7pm

Marconi Room, Civic Centre, Chelmsford

Membership

Councillor S J Robinson (Chair and Leader)
Councillor J Lardge (Culture and Leisure and Deputy Leader)

and Councillors

Councillor C Davidson (Finance)
Councillor N Dudley (Health and Wellbeing)
Councillor K Franks (Fairer Chelmsford)
Councillor J Hawkins (Connected Chelmsford)
Councillor R Lee (Planning and Place-Shaping)
Councillor R Moore (Greener Chelmsford)

Local people are welcome to attend this meeting, where your elected Councillors take decisions affecting YOU and your City.
There is also an opportunity to ask your Councillors questions or make a statement. These have to be submitted in advance and details are on the agenda page. If you would like to find out more, please email committees@chelsmford.gov.uk or phone (01245) 606480

THE CABINET

13 October 2026

AGENDA

PART 1 – Items to be considered when the public are likely to be present

1. Apologies for Absence

2. Declarations of Interest

All Members must disclose any interests they know they have in items of business on the meeting's agenda and that they must do so at this point on the agenda or as soon as they become aware of the interest. If the interest is a Disclosable Pecuniary Interest they are also obliged to notify the Monitoring Officer within 28 days of the meeting.

3. Minutes and Decisions Called in

Minutes of meeting on 14 July 2026.

No items were called in.

4. Public Questions

Any member of the public may ask a question or make a statement at this point in the meeting. Each person has two minutes and a maximum of 20 minutes is allotted to public questions/statements, which must be about matters for which the Cabinet is responsible. The Chair may disallow a question if it is offensive, substantially the same as another question or requires disclosure of exempt or confidential information. If the question cannot be answered at the meeting a written response will be provided after the meeting.

Any member of the public who wishes to submit a question or statement to this meeting should email it to committees@chelmsford.gov.uk at least 24 hours before the start time of the meeting. All valid questions and statements will be published with the agenda on the website at least six hours before the start time and will be responded to at the meeting. Those who have submitted a valid question or statement will be entitled to put it in person at the meeting.

5. Members' Questions

To receive any questions or statements from councillors not members of the Cabinet on matters for which the Cabinet is responsible.

6. Connected Chelmsford Items

6.1 Local Council Tax Support Scheme

6.2 Business Rate Discretionary Relief Policy Amendment

7. Fairer Chelmsford Item

7.1 Review and Revision of Homelessness and Rough Sleeper Strategy 2025-2030

8. Finance Item

8.1 Mid Year Financial Review

9. Planning and Place-Shaping Item

9.1 Updates to Revised Masterplan Procedure

10. Urgent Business

To consider any other matter which, in the opinion of the Chair, should be considered by reason of special circumstances (to be specified) as a matter of urgency and which does not constitute a key decision.

11. Reports to Council

The officers will advise on those decisions of the Cabinet which must be the subject of recommendation to the Council.

PART 2 (Exempt Items)

To consider whether to exclude the public from the meeting during the consideration of the following matters, which contain exempt information within the category of Part 1 of Schedule 12A to the Act indicated:

12. Fairer Chelmsford Items

12.1 Financial Support for Affordable Housing Development at Rectory Lane East Car Park

Public interest statement: It is not in the public interest to release details of this report at present, on the grounds that the report contains information that is commercially

sensitive and to place the information in the public realm will be detrimental to the negotiations to be undertaken by the Council

12.2 Property acquisition for supported accommodation.

Public interest statement: It is not in the public interest to release details of this report at present, on the grounds that the report contains information that is commercially sensitive and to place the information in the public realm will be detrimental to the negotiations to be undertaken by the Council

MINUTES OF

CHELMSFORD CITY COUNCIL CABINET

on 14 July 2026 at 7pm

Present:

Cabinet Members

Councillor S Robinson, Leader of the Council (Chair)
Councillor J Lardge, Deputy Leader of the Council and Cabinet Member for Culture and Leisure
Councillor C Davidson, Cabinet Member for Finance
Councillor N Dudley, Cabinet Member for Health and Wellbeing
Councillor K Franks, Cabinet Member for a Fairer Chelmsford
Councillor J Hawkins, Cabinet Member for a Connected Chelmsford
Councillor R Lee, Cabinet Member for Planning and Place-Shaping
Councillor R Moore, Cabinet Member for a Greener Chelmsford

Cabinet Deputies

Councillor S Goldman, Deputy Cabinet Member for Cleaner Communities
Councillor T Sherlock, Deputy Cabinet Member for Economy and Sustainable Transport

Opposition Spokespersons

Councillors, G. Bonnett, S. Dobson, J. Jeapes, M. Steel, S. Sullivan, A. Thorpe-Apps and R. Whitehead

Also present: Councillors H. Clark, J. Potter, S. Shah and A. Sosin

1. Apologies for Absence

Apologies for absence were received from Cllrs P. Clark, Hyland, Raven and Wilson

2. Declarations of Interest

Members of the Cabinet were reminded to declare at the appropriate time any interests in any of the items of business on the meeting's agenda.

None were raised.

3. Minutes and Decisions Called-in

The minutes of the meeting on 21 May 2026 were confirmed as a correct record. No decisions had been called in.

4. Public Questions

One public question had been submitted for the meeting, which can be viewed via this link. The Cabinet Member agreed to send a written response to the member of the public.

5. Members' Questions

Two questions were asked at this point of the meeting by Cllr Shah. The first question asked about a social media post from Chelmsford For You of an artist mural in the window of a store in the City Centre, that had been reposted by the Council's Communication's team and had caused upset to some who had seen the image. In response the Leader of the Council stated that, the Council had apologised to the resident who wrote in with concerns, the image had not been funded or commissioned by the Council and as soon as the Council's attention was drawn to the issue the post had been removed. It was noted that the team would reflect on different perspectives moving forward, especially when resharing posts from other organisations.

The second question from Cllr Shah, asked about the removal of the permit for taxi drivers to operate at Beaulieu Station. They asked why concerns had not been listened to when raised at earlier points and what assurances could be given, that the administration would respond to issues quicker in the future. In response, the Leader of the Council stated that initially it was not clear how busy the station would be and it had always been intended to have a six month review of operations and customer levels etc. The Cabinet heard that there had been a number of factors in play when deciding how many permits to issue and once it became apparent that the scheme was not operating as hoped, the evidence was reviewed and the permit requirement was removed accordingly.

6.1 Proposed Changes to the Constitution (Leader)

Declarations of interest:

None.

Summary:

The Cabinet were asked to consider proposed changes to the Constitution on the Employee Code of Conduct and Mayoral Rules, which had been recommended by the Constitutional Working Group and Governance Committee.

Options:

1. To recommend to Council that the changes be made.
2. To not recommend to Council that the changes are made.

Preferred option and reasons:
The preferred option was to recommend the changes to Council as recommended by the Constitutional Working Group and Governance Committee.

RECOMMENDED TO COUNCIL that the changes be made.

(7.09pm to 7.10pm)

7.1 South Woodham Ferrers Leisure Centre Improvements (Culture and Leisure)

Declarations of interest:
None.

Summary:
The Cabinet considered a report which informed them that initial design feasibility work had explored the potential to enhance fitness facilities at SWFLC and the report sought to confirm the next steps for the proposed scheme.

Options:

1. Continue proceeding with the proposed scheme up to tender stage
2. Cease the project
3. Put the project on hold

Preferred option and reasons:
The preferred option was to continue proceeding with the proposed scheme up to tender stage to ensure greater cost certainty, ahead of delivering the scheme and its associated financial, health and community benefits.

Discussion:

The Cabinet Member for Culture and Leisure stated that there was a clear need for an improved facility for the growing community in South Woodham Ferrers and that the centre currently operated with a deficit. It was noted that the fitness offer was constrained by the limited size and hours, but that the proposals would provide improved community access, whilst protecting the school gym space on site. It was noted that a stronger fitness offer would improve the centre's long-term feasibility and financial sustainability, whilst ensuring a flexible accommodation space with William De Ferrers school. The Cabinet heard that the proposals were a result of a good partnership with the school to ensure better use of existing assets and to make good use of ringfenced CIL for South Woodham Ferrers. The Cabinet were also informed that some reserves would be used to progress the scheme to tender stage and to provide greater certainty and a detailed business case for Cabinet to consider in the future.

In response to questions, the Cabinet Member confirmed that the proposals included moving the entrance door to assist with safeguarding issues, that the school floor space would remain the same and that the project had been on a rolling programme of planned improvement works for a while.

RESOLVED that;

1. Further feasibility funding of approx £52,000 to proceed with the proposed scheme up to tender stage (RIBA 4) including tender analysis be approved.

2. The use of reserves be considered to fund the project on the basis that it will be re-couped on receipt of the ringfenced CIL from South Woodham Ferrers, the project which improves the sports centre and secondary school was an entirely appropriate use and meets the definition of infrastructure.
3. Should the scheme become unaffordable or unworkable from a community perspective, it will be aborted with Cabinet informed accordingly.

(7.11pm to 7.15pm)

8.1 Treasury Management Outturn Report 2025/26 (Finance)

Declarations of interest:
None.

Summary:
The Cabinet received a report detailing Chelmsford City Council's treasury management activities over the financial year 2025/26, in line with statutory requirements and the CIPFA Code of Practice.

The report was factual and no options were presented.

RESOLVED that the Treasury Management Outturn Report 2025/26 be recommended to Full Council.

(7.16pm to 7.17pm)

9.1 Adoption of the Revised Essex Coast Recreational disturbance and Avoidance Mitigation Strategy (RAMS) (Planning and Place-Shaping)

Declarations of interest:
None.

Summary:
The Cabinet were asked to consider the revised Essex Coast Recreational disturbance Avoidance Mitigation Strategy (RAMS) 2026 and associated tariff. The Cabinet's approval was also sought, to revoke the existing RAMS Supplementary Planning Document (SPD) which no longer aligned with the revised RAMS and to replace it with a Technical Advice Note (TAN).

Options:

1. Adopt the revised Essex Coast Recreational disturbance Avoidance Mitigation Strategy (RAMS 2026) and the associated tariff, and to revoke the existing RAMS Supplementary Planning Document (SPD) and replace it with a Technical Advice Note (TAN)
2. Not adopt the revised Essex Coast Recreational disturbance Avoidance Mitigation Strategy (RAMS 2026) and the associated tariff, and to revoke the existing RAMS Supplementary Planning Document (SPD) and replace it with a Technical Advice Note (TAN).

Preferred option and reasons:

The preferred option was the first option, as it would ensure the council continues to meet its legal duties under the Conservation of Habitats and Species Regulations 2017 (as amended) by providing a robust, evidence-led and legally compliant framework to mitigate the impacts of residential development on internationally protected habitats. The updated tariff will ensure that the full cost of mitigation is fairly and proportionately secured for the lifetime of the development. Revoking the Supplementary Planning Document (SPD) and replacing it with a Technical Advice Note will provide up-to-date guidance on the revised RAMS implementation and reflect legislative changes which remove the ability to prepare new SPDs.

Discussion:

The Cabinet Member for Planning and Place-Shaping stated that the proposals had been recommended for approval by the Policy Board and that RAMS was realistically the easiest option for mitigation for both Local Planning Authorities and Housing Developers. They also stated that the increase in tariff appeared high, but had been pushed by Natural England for in perpetuity schemes and that it was around the same as other areas.

RESOLVED that;

1. the revised Essex Coast Recreational Disturbance Avoidance and Mitigation Strategy (RAMS) 2026 and associated tariff as set out in Appendix 1 be adopted.

2. the implementation of a revised Essex Coast Recreational Disturbance Avoidance and Mitigation Strategy (RAMS) 2026 tariff of £476 per net additional dwelling (or equivalent qualifying development and index linked), to take effect from 1 August 2026 be approved.

3. the adopted Essex Coast RAMS Supplementary Planning Document (SPD), noting that its content is no longer fully aligned with the revised Strategy, evidence base and tariff be revoked.

4. the Essex Coast RAMS Supplementary Planning Document (SPD) be replaced with an Essex Coast RAMS Technical Advice Note (TAN) and that the Assistant Director – Planning and Place Shaping be authorised, in consultation with the Cabinet Member for Planning and Place Shaping, to finalise and publish the TAN for use alongside the revised Essex Coast RAMS Strategy 2026.

(7.17pm to 7.18pm)

10. Urgent Business

There were no items of urgent business.

11. Reports to Council

Items 6.1 and 8.1 were subject of recommendations to Full Council.

Exclusion of the Public

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for item 12.1 on the grounds that it involved the likely disclosure of exempt information falling within paragraph 3 of Part 1 of the Schedule 12A to the Act (information relating to the financial or business affairs of any particular person including the authority holding that information).

12.1 Proposed development of a new cemetery and crematorium (Greener Chelmsford)

Declarations of interest:

None.

Summary:

The Cabinet were provided with an update on the progress made concerning the proposed development of a new cemetery and crematorium and were asked to authorise the Assistant Director for Culture, Leisure and Open Spaces to make the necessary arrangements to submit a planning application and source a potential contractor(s), to build the new facilities subject to an appropriate procurement process and further approvals.

Options:

1. To authorise the submission of a planning application and undertake further work to finalise a full business case for a new cemetery and crematorium. On completion of the final business case, a further report is expected to be made to Cabinet and Council to seek approval of necessary budgets to complete the scheme.

2. To agree not to submit a planning application in which case the project development will be suspended.

Preferred option and reasons:

Option 1 was preferred as otherwise the project cannot proceed to the next stage, the consequence of which is that, in time, the Council would not be able to provide burial and cremation services that meet local needs. The financial implications of option 2 would be a net ongoing annual financial loss of circa £600k per annum. Option 1 requires capital investment, and the final business case was expected to demonstrate that it provides a more sustainable and cost-effective way of maintaining local burial and cremation provision. This is supported by initial financial modelling set out in the report.

Discussion:

The Cabinet were informed that this had been a long running project and that this represented the next step towards a new cemetery and crematorium. It was noted that the proposals were designed to give greater certainty on the project and to test any proposals before any final decision by the Cabinet and Full Council. The Cabinet were informed that various alternatives had been explored, but the proposed site represented the best option and that it would provide resilience and efficiency and the continuity of service over a much longer term than the existing site. The Cabinet also heard that the project aligned with net zero ambitions, via the use of modern technologies and was the most sustainable long term option available to the Council. The Cabinet were reminded that approval of the recommendations would allow the project to progress, but a detailed business case needed

to be developed and considered before any final decisions could be made at Cabinet and by Full Council.

In response to points raised, it was noted that as part of the planning application process, all planning concerns would be looked at and the consultation phase of the planning application would allow concerns to be raised, in terms of minimising impact of the site. It was also noted that the future business case would consider other nearby sites in relation to Local Government Reorganisation and that the needs assessment would set out why the site was required in detail as part of the planning application.

RESOLVED that;

1. The Assistant Director for Culture, Leisure and Open Spaces be authorised to submit a planning application for the development of a new cemetery and crematorium. The Assistant Director for Culture, Leisure and Open Spaces be authorised to make arrangements for the approach to tender and procurement of the new facilities, as set out in the report, on the basis that no contract for the supply of cremator equipment or wider construction will be entered into without further Council approval.

2. A further sum of £415k be approved to the existing capital budget to allow design works and a procurement exercise to be completed so that a fully costed scheme and project justification can be considered by the Council before making a decision to implement the scheme.

3. The land acquisition budget be increased by £200k to allow for legal costs, stamp duty and capped inflation.

(7.19pm to 7.34pm)

The meeting closed at 7.34pm

Chair

Chelmsford City Council Cabinet

13 October 2026

Local Council Tax Support (LCTS) Scheme 2027/28

Report by:
Cabinet Member for Connected Chelmsford

Officer Contact:
Rob Hawes, Revenue and Benefit Services Manager, 01245 606695
robert.hawes@chelmsford.gov.uk

Purpose
To present for consideration options for a Local Council Tax Support (LCTS) scheme for 2027/28 to put forward for Full Council approval before 11 March 2027.

Options
1. The 2026/27 LCTS scheme is adopted without amendment for 2027/28
2. The 2026/27 LCTS scheme is amended for 2027/28 to make its provisions more generous
3. The 2026/27 LCTS scheme is amended for 2027/28 to make its provisions less generous

Preferred option and reasons
That Cabinet recommend Council re-adopt the current LCTS scheme without amendment for 2027/28, given the current uncertainty over the timing and local authority composition of Local Government reorganisation. Council budgetary constraints and cost of living pressures on residents also mitigate against making the scheme more or less generous.

Recommendations
1. That Cabinet recommend Council re-adopt the current LCTS scheme without amendment for 2027/28.

Summary of Key Points
It is a legal requirement that Councils make a decision on the adoption of a LCTS scheme for working age residents every year, even if no change is planned.

If a change is proposed, Councils are required to carry out a public consultation, hence Cabinet is requested to confirm its position in time to allow a consultation to be carried out.

Given current budgetary pressures on both the Council and its residents, it is not considered desirable to either increase the cost of the scheme to the Council or the cost of Council tax to low income residents, which is why a no change decision is recommended.

1. Introduction

1.1. Since 2013/14, every billing authority has been required to approve a Local Council Tax Support (LCTS) Scheme, prior to 11 March, in respect of the following financial year. The LCTS scheme assists people on a low income with their Council Tax liability by reducing the amount they have to pay. Entitlement to Council Tax Support (CTS) is 'means-tested', whereby entitlement reduces as household income increases. The Council must incorporate Government rules in respect of pensioners, but it has significant freedom to decide the rules in respect of 'working age' households.

1.2. In 2013/14, the Council decided to reduce the maximum level of CTS which could be awarded to an amount equivalent to 80% of a household's Council Tax liability. This meant that all working age households paid a minimum of 20% of their Council Tax liability. In 2014/15, the maximum CTS was reduced to 77%, increasing minimum council tax liability to 23%, and has remained at that level ever since. Subsequent cuts in Government grants have meant that the cost of the scheme now exceeds grant received. The net cost cannot be calculated exactly as the direct link between Government grant and CTS was broken in 2014/15 when the specific LCTS grant was incorporated into overall funding.

2. Current 2026/27 LCTS scheme summary

2.1. The key principles of the existing LCTS scheme are as follows:

- Local councils have the power to decide how much help is given to working age households. In Chelmsford, all working age recipients pay a minimum of 23% of their Council Tax liability.
- The rules for pensioner households are set by the Government. Chelmsford's pensioners can receive a maximum of 100% of their Council Tax liability, so they may not pay any Council Tax.

2.2. A more detailed summary of the key principles can be found in Appendix 1

2.3. The Council is required to agree and approve a working age LCTS scheme for 2027/28.

2.4. Cabinet should consider the potential options below. Any proposed change to the 2026/27 LCTS scheme would require a six week public consultation period.

2.5. The Government is expected to make amendments to the statutory parts of the LCTS scheme. If it does so, amendments to Chelmsford's 2027/28 LCTS scheme will follow automatically, so there is no requirement for Cabinet or Council to approve these statutory changes.

3. Scheme Finances

3.1. The Government takes account of LCTS scheme expenditure in calculating the annual grants (known as the Local Government settlement) it awards to Chelmsford City Council, Essex County Council and the Police and Fire authorities. It is the billing authority, Chelmsford City Council, which is responsible for assessing the amount of LCTS it will provide and reconciling this through the Council Tax collection fund.

3.2. Since the amount of grant in respect of LCTS is not separately identified, it is not possible to compare the cost of the LCTS scheme in council tax forgone with the grant the Government provides. What is clear is that the overall annual amount of Government grant to the precepting bodies (Essex County Council, Chelmsford City Council and Essex Police, Fire and Crime Commissioner) is now far less than it was when CTS was introduced in 2013/14.

3.3. The Covid-19 pandemic and reduction in economic activity caused a large increase in caseload numbers in 2020/21. Caseload levels have fallen back since that time, and the annual cost of the scheme stands at £8.25m as at 30 September 2026.

3.4. The current annual cost of LCTS granted to working age households is £4.494m, with a further £3.757m granted to pensioner households.

4. Considerations

4.1. Making no changes to the current LCTS scheme has the benefit of continuing a scheme that is well-understood by the public and staff alike, requires no consultation and which is relatively predictable for preceptors in terms of the ongoing cost of the scheme.

4.2. Making the LCTS scheme more generous will increase the cost of the scheme to the City Council and the preceptors. As an example, a small change such as reducing the minimum payment of Council Tax required from 23% of liability to 22% of liability would cost around £60,000, of which the Council would bear around 10%. More complex changes would need to costed individually. With the Council currently facing a budget gap of over £1m in 2027/28, it is not recommended to increase budgetary pressures.

4.3. The third option is to make the City Council's scheme less generous by reducing the maximum amount available (currently 77%), thereby increasing the minimum payment that working age households have to make. This would increase council tax liability (and reduce CTS scheme expenditure) by approximately £60k for each percentage point change; the benefit to the City Council being 10% of that figure. However, this would place additional pressure on low-income residents and it is likely that some of the additional Council Tax liability would be uncollectible and lead to greater levels of Council Tax being written off.

4.4. Whilst not immediately relevant to this decision, Local Government Reorganisation will require new unitary councils to align their LCTS schemes, which will require significant modelling, administrative resource and public consultation. A summary of the considerations can be found in Appendix 2 for information.

5. Equality Issues

5.1. When deciding upon a scheme, the Council is required to have due regard to its Public Sector Equality Duties, which requires public authorities to give due regard to the need to:

i. Eliminate unlawful discrimination and harassment in the respective fields of race, sex and disability;
ii. Promote equality of opportunity between those with a protected characteristic and others; in addition, the Race and Disabilities Duties include the need to promote good race relations;
iii. Take steps to take account of disabled people's disabilities even where that involves treating disabled people more favourably than others; and,
iv. Promote positive attitudes towards disabled people and to encourage participation by them in public life.

5.2. An Equality Impact Assessment (EIA) for 2026/27's LCTS scheme is set out below. This would need to be revisited if changes to the scheme are proposed. The EIA identifies impacts upon relevant groups and any mitigations which are in place. It is important that decisions relating to our LCTS scheme are taken with these matters in mind. Although the PSED does not prevent councils from taking decisions which impact adversely on groups with 'protected characteristics', they must ensure that they are not impacted in a worse fashion than non-protected groups.

6. Conclusion

6.1. Budgetary pressures on the Council and low income council tax payers respectively mitigate against making the LCTS scheme more or less generous. Cabinet should therefore recommend that Council re-adopt the current scheme, which has remained unchanged for over ten years, for 2027-28.

List of appendices:

Appendix 1 – Main principles of the LCTS scheme

Appendix 2 – LGR considerations

Background papers:

None

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	A local scheme must be agreed by Full Council before 11 March 2027. If Cabinet is minded to propose changes to the existing scheme, a public consultation lasting a minimum of six weeks must take place on any proposed change.
Financial	The exact relationship between reducing LCTS expenditure and Council Tax collection rates is unclear, although in-year collection rates of Council Tax have dropped by almost 2% since LCTS was introduced in April 2013. 2% equates to a shortfall of £3.36m on an estimated Council Tax debit of £168.5m in 2026/27, although strong performance on arrears collection in subsequent years has helped to offset this reduction.
Potential impact on climate change and the environment	None
Contribution toward achieving a net zero carbon position by 2030	None
Personnel	None
Risk Management	None
Equality and Diversity	No changes. Equality Impact Assessment detailed below.
Health and Safety	None
Digital	The existing Benefits software is capable of maintaining the current scheme. Any radical proposed changes would need to be evaluated as to whether the software can deliver them.

Other	None

Equality Impact Assessment

Assessment of impact

Using the information above, assess if the policy / function could potentially disproportionately impact on different protected groups.

Specify if the potential impact is positive, could adversely impact or if there is no impact. If an adverse impact, indicate how the impact will be mitigated.

Please note any data used in the impact assessment should be anonymised and with due regard given to data privacy in line with GDPR.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Age What will the impact be on different age groups such as younger or older people?		The amount of assistance available does vary dependent upon age.		Pensioners receive additional allowances which ensure that they receive more support than a working age person with the same income. Individuals or households where both members are under 25 will receive less assistance than when one or both members are over 25. This disparity in assistance is a standard feature of all welfare benefit schemes. Pensioner households are entitled to a maximum of 100% of their Council Tax liability. Working age households are entitled to	It is possible to increase the amount of assistance given to working age households, although this would increase the cost of the scheme considerably,

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
				a maximum of 77% of their Council Tax liability	
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate			No changes are proposed to affect people with this characteristic		Additional allowances are already in place for people receiving specified disability benefits.
Pregnancy and maternity Pregnant women and new and breastfeeding Mums			No changes are proposed to affect people with this characteristic		Households with children receive additional allowances which result in higher entitlements. Chelmsford City Council never implemented the wider welfare benefit policy which restricted the value of assistance to the first two children in a household (a policy removed by the current Government in April 2026).
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership			There is no distinction between the treatment of married persons, persons in a		

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
			civil partnership or unmarried couples.		
Sex Is the service used by people of both male and female biological characteristics or intersex and are the sexes given equal opportunity?			No distinction is made in the assessment of entitlement as a result of biological gender.		
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment? Additionally, is there an impact on people with different gender identity?			No distinction is made in the assessment of entitlement as a result of gender identity.		

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Religion or belief Includes not having religion or belief			No distinction is made in the assessment of entitlement as a result of religious belief.		
Sexual Orientation What is the impact on people of different sexual orientation such heterosexual, lesbian, gay or bisexual people?			No distinction is made in the assessment of entitlement as a result of sexual orientation.		
Race Includes ethnic or national origins		Yes		Brexit removed entitlement from EU nationals without 'settled status'. This is in addition to restrictions to benefit already in place on non-EU nationals.	This element of the policy is dictated by Government by way of statutory instrument and cannot be amended by the Council.
Are there any other groups who could find it difficult to access or make use of the policy / function? For example: low income / people living in rural areas / single			No		The LCTS scheme is a means-tested scheme offering different levels of assistance based on household composition, disability, age and income.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
parents / carers and the cared for / past offenders / long-term unemployed / housebound / history of domestic abuse / people who don't speak English as a first language / people without computer access etc.					Access to the scheme is available either online or by way of paper application form.

Consultation on Equality Impact Assessment

No consultation carried out.

Equality Impact Assessment Conclusion

Decision	Explanation
✓ **Continue the policy with no changes** *[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]*	The LCTS scheme has been in place unchanged for ten years. By its very nature , it provides differing levels of assistance based on need and income.
☐ **Continue the policy with adjustments** *[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]*	
☐ **Adverse impact but continue**	

[For example: Negative impact has been objectively justified.]	
☐ **Suspend or withdraw the policy for further review / consideration of alternative proposals** *[For example: High risk of negative impact for any group / insufficient evidence / need to involve or consult with protected groups / negative impact which cannot be mitigated or justified / unlawful discrimination etc.]*	

Consultees:

Director of Connected Chelmsford
Legal and Democratic Services Manager

Relevant Policies and Strategies:

Benefits Operational and Internal Security Policy

Benefits Customer Service Policy

Appendix 1 - LOCAL COUNCIL TAX SUPPORT (LCTS) SCHEME 2026/27

Main points of the LCTS scheme:

- Council Tax liability, for the purpose of calculating entitlement, is restricted to the appropriate Band D level. This means that a working age person in a Band H property, for example, will have their LCTS calculated using the Band D amount applicable to the parish area in which they live. A pensioner household receives LCTS based on their actual liability regardless of Band.
- LCTS is not available to working age households with more than £6,000 in savings. Pensioners can have up to £16,000 in savings before entitlement is removed.
- Households with other non-dependant adults in them receive reduced amounts of LCTS as the non-dependants are expected to contribute towards the running costs of the household. These contributions depend on the income of the non-dependant. Non-dependant deductions also apply to pensioner households, for whom the level is set by the Government.
- £10 per week of child maintenance received is disregarded. Any child maintenance paid to a pensioner household is disregarded in full.
- There are additional disregards to earned income to encourage work. This provision is more generous for the working age than for pensioners.
- For self-employed recipients, national minimum wage levels are assumed as income for the purposes of calculating LCTS entitlement if the declared income from self-employment is lower than the minimum wage. This applies after the first year of self-employment.

The amount of any reduction in council tax for people on low incomes is means-tested. This means that a household's income is compared against a set of allowances. These allowances vary depending on the personal circumstances of the household ie number of children, any disabilities etc. Working age households with an income equal to, or below, the relevant allowances receive maximum allowable LCTS ie 77% of Council Tax liability (capped at Band D rates, as described above). Households with an income above the relevant allowances have support withdrawn at the rate of 20p for every pound by which income exceeds allowances.

Appendix 2 – Local Government Reorganisation Considerations

1.1. Although Local Government Reorganisation is currently withdrawn for Essex and there is no clarity on the date that it might be reinstated or the potential composition of the unitary councils in any revived LGR process, officers have considered changes that will be needed should LGR take place. Any councils that merge to become a single unitary will be required to adopt a common LCTS scheme across the whole new council in the first year of operation.

1.2. Under previous LGR proposals, Chelmsford was to be merged with Brentwood and Maldon. Maldon's LCTS scheme is almost identical to Chelmsford's, except that their minimum Council Tax liability is 20% for working age claimants and is therefore more generous than Chelmsford's minimum 23%.

1.3. Moving Chelmsford's LCTS scheme closer to, or matching, Maldon's would be straightforward. The City Council could opt make its scheme more generous: each 1% increase in the maximum (currently 77%) would reduce total council tax liabilities by approximately £60k, of which the City Council would bear around 10%. To match Maldon's 80% maximum would therefore cost £180k, with the City Council bearing c.£22k.

1.4. By contrast, Brentwood operates a 'banded' scheme whereby entitlement to LCTS is 100%, 75%, 50% or 25% of Council Tax liability, depending on income and type of household. It is therefore less generous for most people than both Chelmsford and Maldon's LCTS scheme as it requires a basic minimum Council Tax payment of 25% from working age households and there are large drops in entitlement as income increases. It does, however, offer reductions of 100% of Council Tax for some households in receipt of specified disability benefits regardless of income.

1.5. Banded LCTS schemes are relatively straightforward to administer and, with the correct software, entitlement can be calculated automatically on application with staff involvement restricted to periodic reviews of the information submitted. However. moving Chelmsford to Brentwood's 'banded' scheme would require a significant amount of modelling and staff resource initially to recalculate existing claimant income using the new parameters. Conversely, to move Brentwood's banded scheme back to a Chelmsford style 'means-tested' scheme would require similar levels of modelling and staff resource. This resource requirement would be compounded if additional councils are included within any new unitary.

Chelmsford City Council Cabinet

13 October 2026

Amendment to Discretionary Business Rate Relief Policy 2026/27

Report by:
Cabinet Member for Connected Chelmsford

Officer Contact:
Rob Hawes, Revenue and Benefit Services Manager, 01245 606695,
robert.hawes@chelmsford.gov.uk

Purpose
To amend the existing Discretionary Business Rate Relief policy to give effect to changes to business rates reliefs announced by the Government.

Options
1. To agree the proposed amendments
2. To reject the proposed amendments

Preferred option and reasons
To agree the proposed amendments because they implement a policy encouraging the expansion of electric vehicle charging stations at no cost to the Council

Recommendations
1. That the addition of the wording in paragraph 2.4 as Section 6 to the Discretionary Rate Relief Policy 2026/27, attached as Appendix A is agreed and that this revised policy is referred to Full Council for agreement..

Summary of Key Points
Government has recently published detailed guidance for Electric Vehicle Charging Point Relief. Eligible dedicated electric vehicle charging points will receive 100% relief on their business rates bills until 2036. This relief can be backdated to 1 April 2023.

As the City Council collects business rates on behalf of the Government, we need to update our business rate relief policy to take account of this announcement.

1. Introduction

1.1. The Government does not often change the legislation regarding business rates discounts and reliefs. Instead, it generally requests that local authorities use discretionary relief powers to give effect to additional measures. In return for this, Government commits to fully reimburse local authorities for the cost of granting these various discretionary reliefs.

1.2. In situations where the Government does alter legislation, discretionary relief policies need to be amended accordingly.

1.3. In addition, local authorities can exercise their discretionary powers to reduce the business rate liabilities of any other organisations it chooses. The cost of such discretion is borne wholly by the local authority.

1.4. As a result, Chelmsford City Council's discretionary rate relief policy contains a mixture of local and national policy priorities.

2. Amendment to the existing policy

2.1. In the Autumn Budget on 26 November 2025, the Government announced a relief for properties consisting wholly or mainly of electric vehicle charging points and associated bays, which are operational, energised, accessible and open to customers. The Chelmsford City Council area currently does not have any such qualifying properties but, for reference, the 'Gridserve' premises on the A131 near Braintree is the nearest example.

2.2. The relief does not apply to charging points which form part of a larger property and which are not separately rated, such as charging points in supermarket car parks. The Valuation Office is responsible for rating eligible properties and will allocate a specific category code to them, which will be the determining factor as to whether or not the relief can be granted.

2.3. Detailed guidance relating to the relief, including how it is to be applied and its status as a state subsidy has recently been published by the Government and it is proposed that the Council adopts this guidance in its entirety and inserts the wording below into the existing discretionary rate relief policy as Section 6 and that subsequent sections are re-numbered accordingly.

2.4. 6. ELECTRIC VEHICLE CHARGING POINTS RELIEF (effective 1 April 2023 to 31 March 2036)

6.1 Although no properties in the Chelmsford City Council area fit the criteria defined by the Government, this relief is included in the policy for the sake of completeness. Full qualifying criteria are set out here https://www.gov.uk/government/publications/business-rates-electric-vehicle-charging-points-relief-local-authority-guidance/business-rates-electric-vehicle-charging-points-relief-local-authority-guidance

6.2 In summary, qualifying hereditaments wholly or mainly comprised of electric vehicle charging point(s) and associated bays that are operational, energised, accessible and open to customers will receive 100% business rate relief on their business rates bills until 2036.

6.3 The Valuation Office will give qualifying hereditaments a separate rateable value and a special category (SCat) code of 718. Where the property is unoccupied, no relief will be granted.

6.4 The relief will not be available on sites where charging bays form part of a larger hereditament and do not have a separate rateable value as assessed by the Valuation Office.

3. Conclusion

3.1. The amendments to the existing reliefs available to reduce business rates bills should be agreed as detailed above. Chelmsford City Council uses the discretionary rate relief policy to implement government decisions relating to business rates. Failure to amend the policy would potentially discourage new businesses of this type from locating in Chelmsford, leave those businesses being charged more than intended or would leave the Council bearing the cost of providing discretionary relief which is not then matched by Government funding.

List of appendices:

Appendix A – Discretionary Rate Relief Policy 2026/27

Background papers:

None

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	All relevant legal considerations are addressed within the body of the report and the proposed policy.
Financial	None, unless Government decides that rate relief has been granted inappropriately.
Potential impact on climate change and the environment	The amendment to the policy is designed to encourage the expansion of electric charging forecourts nationwide, thereby reducing greenhouse gas emissions.
Contribution toward achieving a net zero carbon position by 2030	The amendment to the policy is designed to encourage the expansion of electric charging forecourts nationwide, thereby reducing greenhouse gas emissions.
Personnel	None
Risk Management	None
Equality and Diversity	No EQIA has been carried out as the amendment to the policy is required to give effect to a wider Government policy intention to encourage expansion of electric vehicle charging infrastructure. Groups with protected characteristics are not directly affected by the reduction of business rate liability to these businesses
Health and Safety	None
Digital	None
Other	None

Equality Impact Assessment

Assessment of impact

Using the information above, assess if the policy / function could potentially disproportionately impact on different protected groups.

Specify if the potential impact is positive, could adversely impact or if there is no impact. If an adverse impact, indicate how the impact will be mitigated.

Please note any data used in the impact assessment should be anonymised and with due regard given to data privacy in line with GDPR.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Age What will the impact be on different age groups such as younger or older people?					
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate					
Pregnancy and maternity Pregnant women and new and breastfeeding Mums					

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership					
Sex Is the service used by people of both male and female biological characteristics or intersex and are the sexes given equal opportunity?					
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment?					

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Additionally, is there an impact on people with different gender identity?					
Religion or belief Includes not having religion or belief					
Sexual Orientation What is the impact on people of different sexual orientation such heterosexual, lesbian, gay or bisexual people?					
Race Includes ethnic or national origins					
Are there any other groups who could find it difficult to					

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
access or make use of the policy / function? For example: low income / people living in rural areas / single parents / carers and the cared for / past offenders / long-term unemployed / housebound / history of domestic abuse / people who don't speak English as a first language / people without computer access etc.					

Consultation on Equality Impact Assessment

Equality Impact Assessment Conclusion

Decision	Explanation
☐ **Continue the policy with no changes** *[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]*	
☐ **Continue the policy with adjustments**	

[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]	
☐ **Adverse impact but continue** *[For example: Negative impact has been objectively justified.]*	
☐ **Suspend or withdraw the policy for further review / consideration of alternative proposals** *[For example: High risk of negative impact for any group / insufficient evidence / need to involve or consult with protected groups / negative impact which cannot be mitigated or justified / unlawful discrimination etc.]*	

Consultees:

Director of Connected Chelmsford

Legal and Democratic Services Manager

Relevant Policies and Strategies:

The changes support the ambition in Our Chelmsford, Our Plan to be a leading regional centre by assisting businesses to meet their business rate liability.

CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY 2026/2027

PART A

1. Introduction

1.1 Section 47 of the Local Government Finance Act 1988 allows Local Authorities to award discretionary rate relief to a range of organisations, including charities, Community Amateur Sports Clubs and other non-profit making bodies.

1.2 In the case of charities, the ratepayer must be a charity or trustee for a charity and the property must be wholly or mainly used for charitable purposes. Mandatory relief of 80% will be given in such cases, where not excluded by legislation, and such qualifying charities can also receive up to a further 20% discretionary relief.

1.3 In the case of Community Amateur Sports Clubs, these must be registered with HM Revenue & Customs in order to be eligible for 80% mandatory relief. They can also receive up to a further 20% discretionary relief.

1.4 In the case of non-profit making organisations, all or part of the property must be occupied by an institution or organisation which is not established or conducted for profit and whose main objectives are charitable or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature or the fine arts or it is wholly or mainly used for the purposes of recreation.

2. Awarding Relief

2.1 The Council's policy for determining applications for discretionary rate relief can be divided into 2 parts as follows:

Part 1

2.2 A 'top-up' discretionary rate relief of up to 20% may be granted to charitable organisations which already receive 80% mandatory relief.
The Council currently chooses to award 'top-up' relief to scouts, guides and the sea cadets.

Part 2

2.3 It is intended that the scheme provides a mechanism for sports clubs and organisations to continue and expand their role in providing sports development opportunities, by maximising the availability of relief to those clubs and organisations who operate in accordance with the Council's aspirations for the development of sport in the City.

2.4 All sports clubs and organisations will start off with a flat rate of 40% rate relief, provided that they meet the following criteria:

(a) The primary purpose of the club/organisation should be to provide sporting opportunities to its members or to a local community

(b) Membership should be open to all members of the community irrespective of gender, race, age, disability, religious belief and financial circumstances

(c) Membership fees should be realistic and not used as a means of restricting membership to a particular community group

(d) Profits and surpluses must be used to further the sporting objectives of the club/organisation and not distributed as a share or dividend amongst some or all members

(e) A legal constitution must be in existence and applicants must demonstrate that they are operating in accordance with its requirements.

3. Adjusted Relief

3.1 Applicants who meet all of the above criteria and are awarded the basic 40% rate relief, will also be able to have their relief adjusted by some or all of the following:

10% The applicant can demonstrate a close working relationship with local schools & disabled groups and where practical, has supported the development of their sport(s) in schools and has encouraged and assisted school pupils and/or disabled persons to join appropriate clubs. The applicant undertakes to continue this development work

10% The applicant can demonstrate support for its coaches and administrators to obtain further relevant qualifications, e.g. coaching qualifications, National Coaching Foundation courses, Running Sport courses etc. The applicant undertakes to continue this week.

10% The applicant can demonstrate that they have provided opportunities for regular use of its facilities and equipment by outside groups/the Council's Sports Development Unit and undertakes to continue this policy

10% The applicant can demonstrate that they have in place or are working towards a development plan and (if applicable) a child protection policy

-20% Should fewer than 50% of members be resident in the City, then a reduction in relief of 20% of the total rate liability will be made

Table of relief at current levels.

Relief	
Discretionary Rate Relief	Base level of 40%
Work with Schools or Disadvantaged Groups	+10%
Support for coaches/administrators	+10%
Shared use of facilities	+10%
Current Development Plan/child protection policy	+10%
Less than 50% of members resident in the borough	-20%

4. Awarding Relief

4.1 Any ratepayer applying for discretionary rate relief who does not meet the criteria for relief under the existing policy must meet all of the following criteria and any award will be based on these factors:

(a) The ratepayer must not be entitled to mandatory rate relief (Charity or Rural Rate Relief)

(b) The ratepayer must not be an organisation that could receive relief as a non-profit making organisation or as Community Amateur Sports Club.

(c) The ratepayer must occupy the premises – no relief will be granted for unoccupied properties

(d) The premises and the organisation must be of significant benefit to the residents of the City

(e) The ratepayer must:
- (i) Provide facilities to certain priority groups such as elderly, disabled, minority or disadvantaged groups, OR
- (ii) Provide significant employment or employment opportunities to residents of the City

(f) Provide residents of the City with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation

(g) The ratepayer must show that the organisation will comply with all legislative requirements and operate in an ethical, sustainable, and environmentally friendly manner at all times

4.2 Where a ratepayer can demonstrate that all the above criteria are met, any award must have due regard to:
- (a) the financial status of the applicant when determining the level of relief to be granted, and
- (b) the impact and best interests of the Council Tax payers of the City

4.3 Relief will not be given to those organisations where a bar is the main activity. It would be expected that any bar profits would be used to offset any expenses thus negating the reliance on public funds.

4.4 Where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then an application may be made for relief under Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary rate relief policy.

5. Level and Period of Relief granted

5.1 The level of relief to be granted, if any, will range from 0% to 100% of the ratepayer's liability. Awards of discretionary rate relief will be made for a fixed period and reviewed on an annual basis.

6. Equality and Diversity Implications

6.1 It is important that the Discretionary Rate Relief Policy clearly shows the criteria on which premises could be eligible so that all potential applicants are aware of why their application has been either accepted or refused.

PART B

EXTENSIONS TO CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY

1. **Introduction**

1.1 Section 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988. The changes came into effect from 1 April 2012, and they extend the existing provision relating to the granting of discretionary rate relief.

1.2 The changes allow Local Authorities to grant discretionary rate relief in any circumstances where it feels fit. However, the whole cost of any purely discretionary relief awarded will have to be met by the City's Council Tax payers. Some discretionary reliefs are reimbursed in full by the Government via grants paid in accordance with section 31 of the Local Government Act 2003. Details of such reliefs are set out below in paragraphs 2 to 5 below

2. RETAIL, HOSPITALITY AND LEISURE RELIEF SCHEME (Applicable in financial year 1 APRIL 2025 to 31 MARCH 2026 ONLY)

2.1 The available Retail, Hospitality and Leisure relief is a reduction of 40% of the non-domestic rates bill after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been applied. It can be awarded retrospectively to qualifying businesses. The Council will strictly apply the criteria contained in its 2025/26 Discretionary Rate Relief policy to any such applications.

3 SUPPORTING SMALL BUSINESS RELIEF (2026/27 to 2028/29)

3.1 The Supporting Small Business Relief (SSBR) will help those ratepayers who, as a result of the change in their rateable value at the 2026 revaluation or measures announced in the 2025 Budget, are losing some or all of their Small Business Rate Relief, Rural Rate relief , 40% Retail, Hospitality and Leisure Relief and/or 2023 SSBR and, as a result, are facing large increases in their bills.

3.2 There is no discretion around whether to grant this relief if the terms of the scheme are met. Full technical detail regarding the operation of this scheme can be found at Business Rates Relief: 2026 Supporting Small Business Relief, local authority guidance - GOV.UK

3.3 The SSBR scheme will ensure that the increase per year in the bills of eligible ratepayers is limited to a cash value of the greater of £800 per year during the operation of the scheme **or** the relevant caps within the statutory transitional relief scheme or until the full increased liability is reached. Businesses previously eligible for the 2023 SSBR scheme will receive this continued protection for one year only (until 31 March 2027).

3.4 The statutory transitional relief scheme restricts increases to a fixed percentage of the previous year's bill. The percentage varies according to the rateable value of the property and changes during the three year duration of the scheme until the full increased liability has been reached.

Rateable Value	2026/27 cap increase	2027/28 cap increase	2028/29 cap increase
Up to £20,000	5%	10% plus inflation	25% plus inflation
£20,001 to £100,000	15%	25% plus inflation	40% plus inflation
Over £100,000	30%	25% plus inflation	25% plus inflation

As stated in paragraph 7.3, where the 2026/27 rate liability is higher than the 2025/26 liability, it will increase by the ***greater*** of the transitional relief cap increase or the £800 Supporting Small Business Relief.

3.5 Ratepayers remain in the Supporting Small Businesses relief scheme until 31 March 2029 or until they reach the bill they would have paid without the scheme. A change of ratepayers will not affect eligibility for the SSBR scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

3.6 There is no 2nd property test for eligibility for Supporting Small Business relief scheme. However, those ratepayers who during 2025/26 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace (or 3 years if the ratepayer took on the second property after 27/11/2025) before their relief ended can continue on the scheme for the remainder of their period of grace.

3.7 As with all reliefs, the amount of relief awarded under the Supporting Small Business relief scheme should be recalculated in the event of a change to the rateable value of the hereditament. This change of circumstance could arise during the year in question or during a later year.

3.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which allow the amount of relief to be amended within the year to reflect changing circumstances.

3.9 Therefore, when making an award for SSBR, the conditions of the award include that it can be recalculated in the event of a change to the rating list (retrospective or otherwise). This is so that the relief can be recalculated if the rateable value changes. This applies to all Discretionary Relief awarded by Chelmsford City Council.

4 PUBS AND LIVE MUSIC VENUES RELIEF (effective 1 April 2026 to 31 March 2027)

4.1 A relief of 15% will be applied to the remaining business rate liability (ie after all other applicable reliefs) of pubs and live music venues during the financial year 2026/27. The Government has provided local authorities with detailed guidance regarding the relief Business rates: Pubs and live music venues relief - local authority guidance - GOV.UK

4.2 Relief will be awarded to pubs that meet all of the following characteristics:

- is open to the general public
- allows free entry other than when occasional entertainment is provided
- allows drinking without requiring food to be consumed: and,
- permits drinks to be purchased at a bar

4.3 The meaning of a pub does not include:

- restaurants, cafes, nightclubs, snack bars
- hotels, guesthouses, boarding houses
- festival sites, theatres, concert halls, cinemas
- museums, exhibition halls: and,
- casinos

4.4 The proposed exclusions in 4.3 are not intended to be exhaustive, local authorities will apply characteristics that would lead a business to be classified as a pub using its natural and generally accepted meanings.

4.5 Live music venues:

- are wholly or mainly used for the performance of live music for the purpose of entertaining an audience
- can be used for other activities but only if those other activities:
  - i) are ancillary or incidental to the performance of live music (eg the sale of food or drink to audience members)
  - ii) do not affect the primary use of the premises for the performance of live music (eg because the activities are infrequent)

5 FILM STUDIO RELIEF (effective 1 APRIL 2024 to 31 March 2034)

5.1 Although no properties in the Chelmsford City Council area fit the criteria defined by the Government, it is in included in the policy for the sake of completeness. Full qualifying criteria are set out here Business rates: Film studio relief - local authority guidance - GOV.UK . In summary, qualifying film studios will benefit from a 40% reduction in their gross business rate bills until 2034.

6 SUBSIDY ALLOWANCES

6.1 The Supporting Small Business Relief scheme is likely to amount to subsidy. Any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations. For detailed information see UK subsidy control regime - GOV.UK (www.gov.uk) regarding the UK's subsidy control regime and the UK's international subsidy control requirements.

6.2 The Minimal Financial Assistance rules allow public authorities to award up to £315,000 during the 'applicable period'. The 'applicable period' is defined as the elapsed period of the current financial years and the two preceding financial years. Businesses operating in more than one area should be aware of their reporting and accounting responsibilities if receiving multiple awards of Supporting Small Business Relief.

6.3 Where it is clear to the Council that a ratepayer is likely to breach subsidy controls or Minimal Financial Assistance limits, the Council will automatically withhold the relief. In any case, the Council will ask ratepayers to complete a subsidy declaration before granting the relief.

7 ADMINISTRATION OF APPLICATIONS FOR RELIEF (Parts A& B)

7.1 Decisions relating to the granting of reliefs will be delegated to the staff reporting to the Director of Connected Chelmsford. Most reliefs will be granted automatically using records already held by the Council. Applications from business rate payers who think they should be eligible must be made in writing to Chelmsford City Council, Business Rates, Civic Centre, Duke Street, Chelmsford CM1 1JE.

7.2 If an application for relief is accepted, the award will be back-dated to the start of entitlement where that date is within the financial year in which the application is received. In cases where the relief is one which is fully funded by way of Government grants, the back-dating may be extended into previous financial years as long as eligibility criteria are satisfied.

7.3 There is no statutory right of appeal against a decision made by the Council in respect of discretionary reliefs. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. The review will be carried out by a senior officer within the Revenues Team. Any subsequent request for review will be considered by the Revenue and Benefit Services Manager in consultation with the Director for Connected Chelmsford.

7.4 If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision.

7.5 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.

Chelmsford City Council Cabinet

13th October 2026

Homelessness and Rough Sleepers Strategy

Report by:

Cabinet Member for a Fairer Chelmsford

Officer Contact:

Paul Gayler, Strategic Housing Services Manager, paul.gayler@chelmsford.gov.uk Tel: 01245 606375

Purpose

To present to Members, for approval, a revised version of the Council's Homelessness and Rough Sleeper Strategy which has been amended to reflect national requirements which have been introduced by central government after the publication of the Council's current version in autumn 2025.

Options

1. Approve the revised version being adopted as the Council's statutory strategy for homelessness and rough sleeping

2. Request further amendments in which case the pre-existing strategy will continue to be the Council's strategy in the meantime.

Preferred Option and Reason

Option 1 is the preferred option as the Council is required to have an up-to-date strategy including recent amendments as stipulated by the Ministry of Housing, Communities and Local Government (MHCLG) by December 2026.

Recommendations

1. Approve the revised version of the Council's statutory strategy for homelessness and rough sleeping, as attached at Appendix 1.

Summary of Key Points

It is a legal requirement of the Housing Act that all Local Housing Authorities review the level and causes of homelessness, producing a strategy no less than once every five years which is monitored and kept under review.

The Ministry of Housing, Communities and Local Government (MHCLG) require all strategies to reflect the government's National Plan to End Homelessness published in

December 2025 including the completion of an action plan by autumn 2026 which has necessitated a need to review and revise the Council's strategy approved in 2025.

1. Introduction

1.1 The Housing Act requires all local housing authorities to produce a strategy for addressing homelessness and rough sleeping no less than once every five years. These should be informed by a review of housing need, developed in consultation with partners, especially social care (Essex County Council), and monitored regularly.

1.2 The Council carried out a review and published a new strategy last year, shortly afterwards, in December 2025, the government published its National Plan to End Homelessness. This plan introduced a new performance framework and themes which all homelessness strategies had to include within the following 12 months.

1.3 Initially it was thought that the Council would be able to update the existing strategy by carrying out a review including performance in delivering the action plan over the past year and create an addendum as a way of bringing it up to date with these new requirements. This was presented to the Council's Policy Board on 25th June 2026 and approved for consultation.

1.4 In response to consultation, MHCLG advised that this proposed revision should take into account the structure and guidance in the recently published toolkit for creating new homelessness strategies. This includes new criteria for assessing a local housing authority's performance against some national indicators and a requirement that action plans should be agreed and published by Autumn 2026.

2. Changes

2.1 The intervening guidance requires a clear emphasis on:

a) Prevention – understanding and addressing the main causes of homelessness and working with partners to identify those at risk of losing their homes at the earliest possible stage.

b) Accommodation – improving the supply of affordable homes provided through Planning policies, private landlords, those that provide support and meeting the need for temporary accommodation.

c) Support – identifying the need for support as well as housing to ensure those at risk have the most comprehensive range of services available to mitigate the impact of homelessness and improve the prospects for avoiding this in the future.

2.2 In many ways, these issues were already included in the proposed revision to the existing strategy but needed to be clearly explained. This has been done along with a clear reference to the national guidance.

2.3 The new guidance also makes clear that homelessness strategies are now expected to contribute to the Local Outcome Framework for monitoring progress in meeting national priorities that are delivered at a local level. This includes

specific indicators which need to have actions and targets included within a new strategy. These indicators have been clearly outlined along with our aims in our final version and will be critical to future funding from MHCLG. Once again, these were considered in our previous revision of the strategy, they have now been given greater prominence and will be important strategic issues. The indicators are as follows:

- The number of households with children in temporary accommodation: with a significant shortfall in the supply of affordable family homes this will be a very challenging objective to meet. Increasing a supply of supported housing for families could help us reverse the current trend of rising numbers.

- Number of families with children in B&B for more than 6 weeks: our focus on meeting the need for temporary accommodation has meant this risk has been well managed but we can not be complacent when looking at past trends, this is linked to our ability to reduce the need for temporary accommodation and improve supply as mentioned above.

- Percentage of cases where homelessness has been prevented or relieved: our ability to prevent and relieve homelessness requires a combination of experienced officers and other resources, some of which will rely on cooperation from partners providing a range of accommodation and support.

- Percentage of duties owed where homelessness was prevented or relieved for households experiencing multiple disadvantage: this has yet to be clearly defined but we have already begun to work with partners to improve our ability to help those leaving hospital, prison, or suffering from mental health or domestic abuse.

- Number of people sleeping rough on a single night: this is information collated on an annual basis, currently the figure for Chelmsford has been around the national average.

- Number of people sleeping rough each month who are known to be long-term rough sleepers: this has been rising gradually over the past few years to above the national average and is a combination of local people and others who come into then often move on from Chelmsford.

2.4 In response to guidance from MHCLG this latest version of the revision to the Homelessness and Rough Sleeping Strategy takes all of the above into account and sets targets which will show our progress in achieving these over the next four years.

3. Conclusion

3.1. This final version of our revision to the previous homelessness strategy is compliant with the latest guidance and response from MHCLG (as of beginning of September 2026).

3.2. The version approved by Policy Board was circulated to local statutory and voluntary organisations and to Essex County Council who provided a detailed and comprehensive response which has been addressed in this new version, together with the comments from MHCLG.

3.3. Once approved, this final version will be submitted to MHCLG showing that the Council has met their requirements in adopting the main elements of the National Plan to End Homelessness. This includes the compilation of an action plan which will be commenced by autumn 2026.

List of appendices:

Appendix 1 - Revised Homelessness and Rough Sleepers Strategy 2026 - 2030

Background papers:

A National Plan to End Homelessness https://www.gov.uk/government/publications/a-national-plan-to-end-homelessness/a-national-plan-to-end-homelessness

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	This decision falls to Cabinet to determine. The Council has a statutory duty under the Homelessness Act 2002 to approve and adopt a Homelessness and Rough Sleeping Strategy. The Council is permitted to modify the policy and in doing so should consult such public or local authorities, voluntary organisations or other persons as they consider appropriate. These requirements have been complied with in modifying the policy to reflect the latest government guidance.
Financial	Future allocation of Homelessness Prevention Grant will be influenced by the Council's compliance with MHCLG guidance and performance.
Potential impact on climate change and the environment	No significant environmental impacts identified
Contribution toward achieving a net zero carbon position by 2030	The proposal is neutral on carbon emissions
Personnel	No significant staffing implications
Risk Management	Prevention and reduction of homelessness reduces the resources needed to meet legal duties and thereby reduces the risk of failing to comply with statutory duties.
Equality and Diversity	An EQIA has been completed which indicates how the proposed strategy aims to reduce barriers to services for some with protected characteristics
Health and Safety	There are no health and safety implications.
Digital	There are no digital implications

Other	The proposal supports and enables greater levels of partnership working, support for local voluntary organisations, strengthening of local community and promoting the reputation of the Council in responding to homelessness.

Equality Impact Assessment

Assessment of impact

Using the information above, assess if the policy / function could potentially disproportionately impact on different protected groups.

Specify if the potential impact is positive, could adversely impact or if there is no impact. If an adverse impact, indicate how the impact will be mitigated.

Please note any data used in the impact assessment should be anonymised and with due regard given to data privacy in line with GDPR.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Age What will the impact be on different age groups such as younger or older people?	X			The strategy recognises the need to address homelessness for younger and older people	Improving the availability of supported accommodation for younger people and reviewing the prevalence and causes of homelessness for older people are included in the strategy
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate	X			Improved provision of emergency accommodation for disabled people at risk of homelessness	The strategy aims to improve the provision of temporary and supported housing for those who need wheelchair access, people suffering with mental health
Pregnancy and maternity Pregnant women and new and breastfeeding Mums	X				The Housing Act recognises pregnancy and families with children should be seen as being in priority need, the strategy

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
					therefore ensures the Council can meet its legal duties to this group
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership			X		
Sex Is the service used by people of both male and female biological characteristics or intersex and are the sexes given equal opportunity?	X			Some forms of homelessness have higher proportions of male / female representation	The strategy recognises that some existing services may have gender presumption and bias, such as rough sleepers and ex-offenders being predominately male, victims of domestic abuse being female. The strategy seeks to avoid the risk of exclusion and improve provision to achieve this.
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment?			X		Should not be an issue in determining and responding to legal duties under the homelessness legislation.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Additionally, is there an impact on people with different gender identity?					
Religion or belief Includes not having religion or belief			X		As above but consideration will be given to ensure housing and support services do not restrict or limit access on these grounds
Sexual Orientation What is the impact on people of different sexual orientation such heterosexual, lesbian, gay or bisexual people?			X		
Race Includes ethnic or national origins			X		
Are there any other groups who could find it difficult to	X			A number of these groups are over-represented	Specific actions and issues are considered and addressed in the

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
access or make use of the policy / function? For example: low income / people living in rural areas / single parents / carers and the cared for / past offenders / long-term unemployed / housebound / history of domestic abuse / people who don't speak English as a first language / people without computer access etc.				within the homelessness population	strategy, such as the housing need of ex-offenders, victims of domestic abuse, families on low income, English as a second language.

Consultation on Equality Impact Assessment

N/A

Equality Impact Assessment Conclusion

Decision	Explanation
☐ **Continue the policy with no changes** *[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]*	The legislation and guidance regarding homelessness inevitably affects a higher-than-average proportion of those at risk of exclusion. Locally issues such as disabilities, victims of domestic abuse, mental health, young people

	leaving care, hospital or granted leave to remain require additional consideration to improve existing services for these groups.
☐ **Continue the policy with adjustments** *[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]*	
☐ **Adverse impact but continue** *[For example: Negative impact has been objectively justified.]*	
☐ **Suspend or withdraw the policy for further review / consideration of alternative proposals** *[For example: High risk of negative impact for any group / insufficient evidence / need to involve or consult with protected groups / negative impact which cannot be mitigated or justified / unlawful discrimination etc.]*	

Consultees:

Essex County Council Social Care, Probation Service, CHESS, HMP Chelmsford, Sanctus, Phoenix Futures, Sanctuary Housing Association, Delta Housing, Safer Places, Next Chapter, Housing Dilemmas, Mind, DWP, Maldon District Council, Brentwood Borough Council, Cool to Be Kind.

Relevant Policies and Strategies:

Housing Strategy

Housing Allocations Policy



Chelmsford City Council Review and Revision of Homelessness and Rough Sleepers Strategy 2025-2030

Chelmsford City Council

Contents

S1: Introduction	**3**
S2: Review of our Homelessness and Rough Sleepers Strategy	**5**
S3: Review of Homelessness in Chelmsford	**7**
S4: Review of accommodation	**10**
• Social and affordable housing	11
• Supported housing supply	12
• Private sector housing	13
• Low-cost or shared ownership	13
• Temporary accommondation	14
• Rough sleeping	17
• Domestic abuse	19
S5: Revising our strategy	**20**
• Universal prevention of homelessness	**22**
• Targeted prevention	23
• Preventing crisis	24
• Improving emergency response	25
• Recovery	26
S6: Local Outcome Framework	**28**
• **The Supported Housing Act**	33
Action Plan	**34**



Chelmsford City Council

Section 1: Introduction



All local housing authorities are required to develop, publish and monitor a strategy which sets out how they will meet their legal duties to those who are homeless in their area.

These strategies are required to be for no more than five years but in practice with so many changes to the law, policy, resources and the multitude of factors which have an influence on homelessness, these strategies have to be regularly reviewed and updated if they are to remain effective.

In December 2025 the government published a National Plan to End Homelessness, introducing a new framework for evaluating the performance of Local Housing Authorities in meeting the aims. Accompanying this is a Local Plan to End Homelessness, a toolkit for reviewing and renewing Homelessness Strategies. This addendum has been produced in accordance with this new guidance.

Section 2:
Review of our Homelessness and Rough Sleepers Strategy



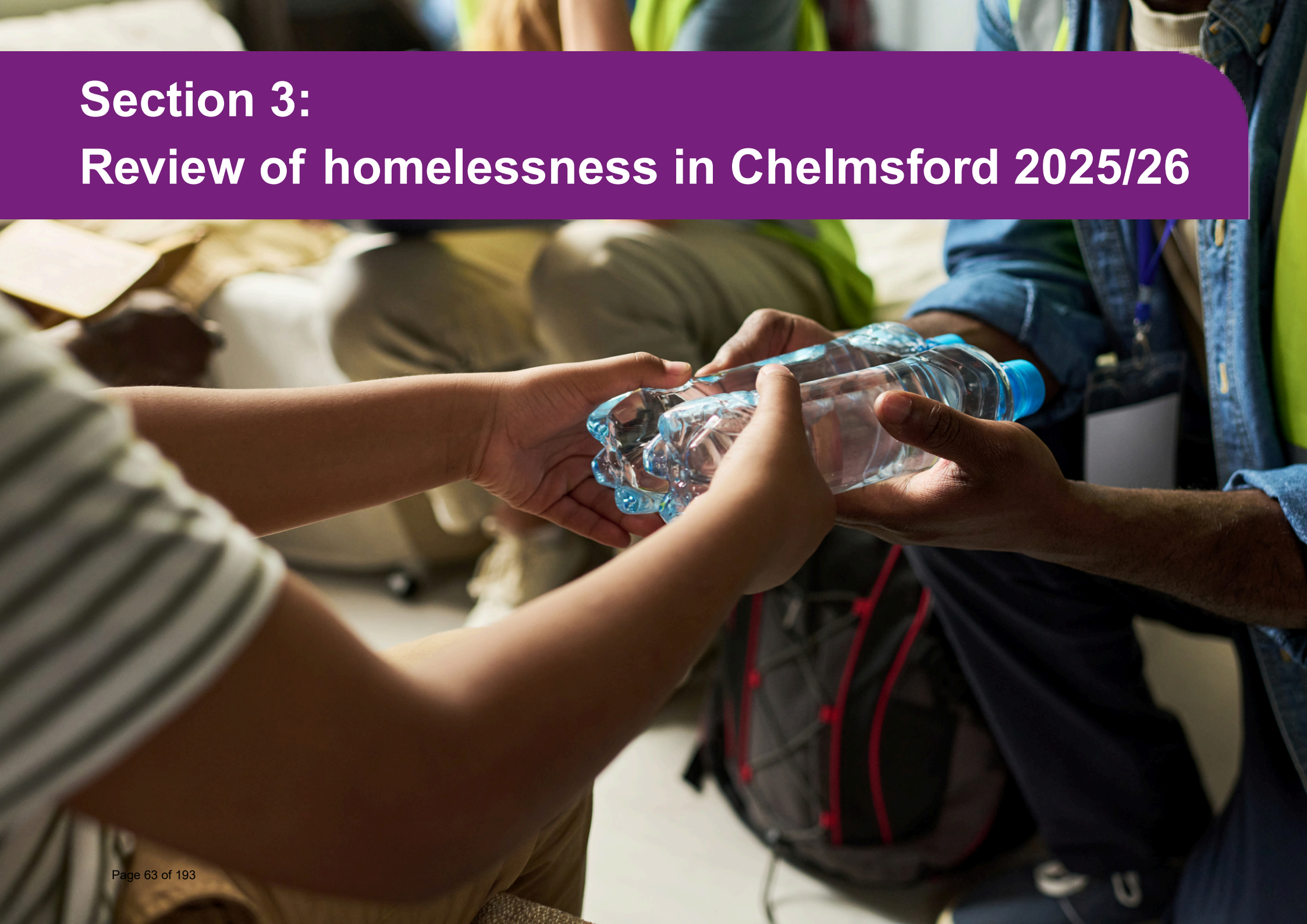
The review of the current strategy shows what in the action plan has been achieved in the first year, what remains outstanding and possibly what needs to be reconsidered.

Our achievements in the first 12 months of the strategy include:

- Relaunched our Housing First project with Delta providing intensive housing support for rough sleepers.
- Worked with CHESS to provide 24 new units of supported housing for those with a more entrenched history of rough sleeping.
- Established a local multi-agency Domestic Abuse Forum to tackle the high level of homelessness caused by domestic abuse.
- Created additional safe and supported accommodation with direct access for those who have become homeless due to domestic abuse.
- Worked with Safer Places to launch My Home My Choice, enabling victims of domestic abuse to make a more informed decision about their housing options.
- Launched a pilot scheme with SETDAB and Southend City Council to remove perpetrators of domestic abuse from the home so their partners do not become homeless.
- Enabled Sanctuary Housing to provide an additional 30 units of supported accommodation for people experiencing mental health problems as a better alternative to temporary accommodation.
- Pilot scheme with Delta Housing using chain-lettings to improve the use and supply of social housing for families.
- Secured AFEO funding, enabling us to review and continue the scheme with Housing Dilemmas and Probation Service providing supported housing for those who are homeless as a result of leaving prison.
- Worked with Probation and the Ministry of Justice to employ a Housing and Probation Navigator, improving communication and best use of resources between these agencies.
- Progressing plans with YMCA Essex for the development of Foyer scheme for young homeless people in Chelmsford.
- Progressed working with Ukrainian families and their sponsors under the Homes for Ukraine scheme to move as many as possible into settled accommodation and employment.
- Improve housing and support options for those who have become homeless from Home Office accommodation in Chelmsford as a result of being granted leave to remain.
- Reduced the increase in the need and cost of temporary accommodation.
- Reviewed and renewed our contracts for the commissioning of temporary accommodation with private landlords.
- Improved communication and understanding of local housing issues in Chelmsford by producing regular newsletter for local organisations.

There remains a number of actions which we want to either carry forward or review and amend. Some of these have been carried forward into our new action plan, others amended to reflect the change of format and requirements created by the new national strategy.

Section 3:
Review of homelessness in Chelmsford 2025/26



In the last year the number of cases assessed as homeless by the Council was 1,051, 40 more than the previous year.

The main causes of homelessness remained the same as before:

Eviction by family and friends	Domestic abuse
349	**152**
an **increase** of 6%	an **reduction** of 19%

Leaving an institution (hospital or prison)	Notice from private landlords (Section 21)
134	**225**
an **increase** of 15%	an **increase** of 8%

The most noticeable changes are the reduction in homelessness caused by domestic abuse which now makes Chelmsford more comparable with the regional and national averages. The greatest increase was those made homeless following discharge from an institution, in looking into the background of these cases this is particularly discharge from hospital.

Looking at the early trends for 2026/27 we anticipate the following:



Eviction by family and friends will remain the most common cause of homelessness at around similar levels to those in the last two to three years;



Notice from private landlords will reduce by around 30% as a result of the recent changes introduced by the Renters' Rights Act;



Domestic abuse will continue to be one of the main causes at a similar level to the previous year but much lower than it was before then; and



Discharge from hospital and prison may continue to increase but there will be a reduction in the number of refugees presenting as homeless in Chelmsford.



The **Homelessness Reduction Act** requires housing authorities to attempt to prevent homelessness wherever possible before considering if there is a duty to provide settled housing. In the **last year we prevented or relieved 353 cases of possible homelessness**, which is 25% of all approaches.

This is often only possible by helping people retain or move into privately rented homes; **62 households** were helped using our **Rent Deposit and Tenancy Access schemes** in 2025/26 at a cost of **£243,949**. This was a lower number than in the previous year when 68 households were helped at a cost of £210,417, highlighting the rising cost of private rent and possibly the reducing supply.

Over the same period, the supply of homes available to allocate through the **Housing Register fell to 195**, the first time this has been below 200 and far lower than the **annual need of 623 homes** assessed as being needed in the Council's Strategic Housing Assessment in 2023.

Section 4:
Review of accommodation

Critical to our ability to relief and resolve homelessness is the supply of accommodation. In the past this has been dealt with as part of a wider Housing Strategy but following recent guidance we have provided an up- to-date outline below following the headings in the government's toolkit for developing a homelessness strategy.



Social and affordable housing

The most recent assessment of the need for affordable housing in Chelmsford is the Strategic Housing Needs Assessment 2024 which calculated a net annual need of 602 homes.

Actual supply has never achieved this, over the last five years the average number of new affordable homes has been 116 a year. The average overall number of lettings has been 290 a year over the same period but has been declining for more than a decade, in 2024/25 there were only 250 homes in total including new-build to allocate and in 2025/26 this supply fell to its lowest ever level of 195, less than a third of the supply needed to meet the assessed need.

The existing pipeline of new affordable homes does not suggest a significant improvement so we are looking at ways to improve the supply from the existing housing stock.

- **Chain lettings** – we have worked with Delta Housing to allocate new homes to families in urgent need whose existing homes could be freed up and then allocated to others, effectively doubling the actual supply.
- **Tackling under-occupation** – many people are in affordable homes that are no longer suited to their needs and lifestyles, finding opportunities to develop new homes that they want as well as need will create a sustainable way to meet their needs and to also increase the turnover or supply of existing homes.

Both these initiatives will mitigate but not solve the chronic problem of lack of supply to meet local housing needs.

Following the review of our current strategy and new guidance, **actions in this strategy include:**

- Exploring opportunities and best practice with local Registered Providers to create additional supply from existing stock.
- Development of new affordable homes which creates a sustainable improvement to the supply (turnover) of affordable homes in Chelmsford.
- Review of the Council's Housing Allocations policy to maximise the use of affordable homes and ensure this is also supporting our statutory duties to those who are at risk of homelessness.
- Joint working with Registered Providers to improve support for tenants to help them sustain their tenancies and reduce the risk of homelessness.

New targets

- A continuous **reduction in the number of households evicted** from social housing in Chelmsford compared to the previous 5-year average of 91 per year 2020/2025.
- A **reduction in the increase of families in temporary housing** needing the largest homes – currently rising by more than 10% per year.
- An **increase in the annual supply** of general needs affordable homes available to allocate each year.

Supported housing supply

In response to the national programme to accommodate all rough sleepers during the pandemic, we worked with local housing charities using funding made available from programmes such as Rough Sleepers' Accommodation Programme (RSAP) and Next Steps Accommodation Programme (NSAP) to create an additional supply of supported accommodation for single homeless.

Since then, we have continued to use other sources of funding such as Accommodation for Ex Offenders (AFEO), Single Homeless Accommodation Programme (SHAP) and our Homelessness Prevention Grant (HPG) to expand still further the supply of supported accommodation in Chelmsford. In just over five years we now have an additional 132 bedspaces with support, including for victims of domestic abuse and people suffering with mental health.

This is the equivalent of nearly two years supply of one-bedroom homes, it is essential that we work with these landlords to secure a supply of move-on accommodation in order to meet our future housing need from this sector.



Included in the action plan for this revised strategy, we also aim to create more supported housing for young people, people being discharged from hospital and victims of domestic abuse.

A more detailed assessment and plans for the future supply of supported housing will follow later this year when we complete our Supported Housing Strategy.

Our action plan has been updated to include:

- Enabling the provision of more supported housing, in particular to meet the most common needs for support, i.e. domestic abuse and mental health.
- The development of a Supported Housing Strategy that complements the aims of this strategy.
- Working with Probation amending the use of AFEO funding to create more flexibility, choice and value for money

New target

This will support our aim of creating an additional 60 units of supported housing within the next 4 years of this strategy.

Private sector housing

Each year our Housing Service helps 60 to 70 households find and secure accommodation with private landlords.

The higher-than-average cost of buying or renting a home in Chelmsford means that it is now extremely difficult to find an opportunity to rent in the city if on a low income or benefits.
In 2025/26 the shortfall between the average rent for a 1-bedroom property and Local Housing Allowance was around £200 a month, for a family needing a 3-bedroom home the shortfall is approaching £700 a month.

The Renters' Rights Act has in some ways created a more level playing field between private and social rent in terms of the length of tenancies, protection from eviction and levels of regulation so we will now be considering ways of using this sector to supplement some of the shortfall in the need and supply of affordable homes.

We have therefore updated our action plan to include:

- Working with our Housing Standards Team to support the new Private Landlords' Forum
- Working with private landlords to reduce barriers homeless families in particular face when trying to find rented homes to prevent or relieve homelessness
- Reviewing and amending our policies for providing financial assistance to help families access private tenancies

Set a **target** of increasing by 20% the number of households helped through our rent deposit and tenancy assistance schemes compared to the current annual average.

Low-cost or shared ownership

The government's guidance suggests considering how other forms of affordable housing such as shared-ownership, sub-market rent or discounted sale may be used to prevent or relieve homelessness.

The cost, lack of nomination rights and availability mean that in practice privately renting is almost always more affordable and accessible but we shall make sure that officers are aware of these options for cases of homelessness where there is sufficient income and / or capital for this to be feasible.



Temporary accommodation



The continuous reduction in the supply (lettings) of social housing accounts for the growing number of households in temporary accommodation, rising from 523 to 587 over the last 12 months. Of these, 178 need a 1-bedroom home and will mainly be single people or adult couples, the remaining 409 households will be families with children.

The table below shows the changes in the number of households in temporary accommodation by size and the supply of affordable housing available in 2025/26.

Bedroom needed	April 2024	April 2025	Homes available 2025/26
1-bed	178	172	**75***
2-bed	190	162	**84**
3-bed	138	124	**34**
4-bed+	81	65	**2**
Total	**587**	**523**	**195**

*In 2025/26 we enable the provision of more than 40 units of supported accommodation for single people

The smaller increase in 1-bedroom cases in temporary accommodation reflects the increase in the supply of supported housing as an alternative over the last twelve months.

Currently single and smaller households face a wait of **two to three years in temporary accommodation** before being likely to be moving on through the Housing Register. For larger **families needing a 3-bedroom home this is likely to be four to five years** and for those needing the largest homes their wait will be far longer.

B&B is only used for families with children in cases where no other option exists and if used this has been for very short periods, avoiding the risk of exceeding the 6-week time limit.

Chelmsford City Council now **owns or leases over 140 properties** used to provide temporary accommodation in Chelmsford, **70 more homes are owned by other Registered Providers** which means that around a third of all temporary accommodation used by our Council provides protection from eviction as required for those who have a legal entitlement to settled housing but are waiting for a suitable offer.

By the end of March 2026, 367 households were in temporary accommodation provided by private landlords as **'nightly lets'**. These are more costly and less secure but have become essential, ensuring some accommodation is available at short notice. Our aim is to restrict the use of nightly let accommodation to those being assessed under s188 of the Housing Act, once a duty to settled accommodation is agreed under s193 of the same Act, all households should be moved to a form of temporary accommodation that provides some protection from eviction in accordance with the Act.

Too many households are having to be placed into properties that are outside of the Chelmsford area. **As of August 2026 there were 365 households currently being accommodated out of area**. Of these out of area households there are 251 households that have children aged under 18 and 94 are single households. We need to increase the supply of more suitable options, this includes supported housing for single people who have support needs and more temporary accommodation as well as general needs affordable housing for families in Chelmsford.



Image 1 (top):
Existing modular housing in Chelmsford





Image 2 (bottom):
Planned modular housing in Meteor Way

In the short term, we want to explore the possibility of helping families in temporary accommodation outside of Chelmsford secure permanent housing in that area, minimising disruption to the family and avoiding the risk of children not being able to access schools.

We will also review and reconsider the need for a **new Temporary Accommodation Strategy**, recognising that the need for this type of accommodation is no longer a temporary issue for the majority.

Some immediate actions to be included in this strategy will be:

- Securing an agreement with a local landlord to provide an additional 60 units of temporary accommodation in the centre of Chelmsford – this will reduce the need to use temporary accommodation in other areas and we hope will also provide wheel-chair accessible units reducing the need for hotel accommodation.
- Progressing the development of modular homes on Council-owned land – this will also be in the centre of Chelmsford, reducing the disruption to families and be designed to high levels of insulation and energy efficiency making them less expensive for families to maintain.
- Renew our fixed-term contacts with local providers of temporary accommodation – through procurement we aim to secure the majority of nightly let provision with local agencies giving us assurance about the future supply and greater certainty over the cost.
- Review the outcomes from the pilot scheme providing additional support to the most vulnerable families in temporary accommodation
- Develop targets for the length of stay in temporary accommodation, especially for those groups for whom the prospect of being accommodated through the Housing Register is very limited.
- Creating more supported housing for the most vulnerable families as a better alternative to general needs temporary accommodation.
- Conduct a review into the future need and supply of temporary accommodation to inform our future strategic plans.

Rough sleeping



Homelessness Strategies must include a specific section about rough sleeping in their area.

In 2025/26 the annual snapshot of people sleeping rough in Chelmsford was 19. Although this is a robust and verified assessment, we know that Chelmsford often has higher numbers sleeping rough. The average number of people sleeping rough at anytime over a month in the past year was 27 but it inevitably will vary from one night to the next.

Nationally 8.2 of 100,000 of the population is sleeping rough, this has almost doubled over the last five years and is a 171% increase from 2010. In Chelmsford our rough sleeper population has increased but not at such a rapid rate, 66% over the last five years and around 100% since 2010.

In the last few years a significant proportion of those sleeping rough have come to Chelmsford after becoming homeless elsewhere so we need to be able to distinguish between this group and those who originate from Chelmsford in order to accurately benchmark our performance in the future.

Over the last 10 years Chelmsford City Council has worked with partners to improve the range and quality of services to help those who are street homeless, this has led to a higher number of people coming into the city from surrounding areas which is understandable but also a reduction for many of these in the length of time they then spend sleeping rough.

We have learnt from our work with rough sleeping over the last decade in Chelmsford that this is a diverse community, some with no previous experience of homelessness spending no more than one or two nights before accessing help to move into accommodation, through to a small number who have been sleeping rough for much longer, often with complex and multiple needs for support and care. Our approach needs to reflect all aspects of this diverse range.

As our engagement and support with people sleeping rough in Chelmsford over the past few years has developed, we realise that a significant number are not people from Chelmsford. This does not limit the offers of help we provide in the first instance but it can be harder helping these people to engage and access support, especially from statutory services such as health, social care and probation.

We therefore want to continue to develop our approach to reducing rough sleeping by having a range of services which can create a more bespoke solution to each individual case, especially those who have become entrenched.

Some additional actions from this review reflect the National Plan to End Homelessness, an assessment of the most common needs of support for those sleeping rough and ways we can work with partners to prevent as well as relieve rough sleeping.

These actions are:

- Implement the government's **Rough Sleeping Programme 2026/27** to ensure that anyone from Chelmsford at risk of sleeping rough can be provided accommodation with a plan to move on.
- Progress plans for a scheme to relieve homelessness for those being **discharged from hospital**.
- Increase the supply of temporary accommodation that can accommodate people with **disabilities / wheelchair accessible** in the centre of our city.
- Reinstate and expand support for those with **mental health support needs** who are at risk of being excluded or overlooked by existing services.
- **Commission outreach services** for the mid Essex area with our neighbouring authorities providing early intervention.
- Work with Probation and HMP Chelmsford to recommission services funded by the **Accommodation for Ex Offenders (AFEO)** funding to create wider choice and availability of accommodation for those **homeless from prison**.

Domestic abuse

This has been the third most common cause of homelessness in Chelmsford for decades and in recent years cases presenting to Chelmsford have been far higher than the regional and national averages. For this reason, we see a need to include this in our review of homelessness in addition to the categories from MHCLG.

Actions in the current strategy included a pilot scheme to relocate perpetrators with Cranstoun Housing and My Home My Choice initiative by Safer Places helping people make better- informed decisions about their housing options. In 2025/26 these actions helped reduce this cause of homelessness by 20% in Chelmsford.

Having identified ways to prevent homelessness, we must also balance this with ways to ensure we can also relieve homelessness as well, accepting that these new solutions will not provide a suitable option for all cases.

- We remain committed to enabling more **safe accommodation with support** including some dispersed properties for those who will need longer periods needing support or waiting for a suitable offer of settled accommodation.
- Explore the need and opportunity to include those who have involvement with the criminal justice system, as victims or perpetrators and may otherwise be excluded from existing services.
- Work with our **Domestic Abuse Board and the Police Fire and Crime Commissioner** to secure funding to maintain and expand the project relocating perpetrators.



Section 5:
Revising our Strategy



In December 2025 the government published A National Plan to End Homelessness
www.gov.uk/government/publications/a-national-plan-to-end-homelessness

This has five pillars or themes which local homelessness strategies now need to incorporate:

1. Universal prevention of homelessness	2. Targeted prevention of homelessness	3. Preventing crisis	4. Improving emergency responses	5. Recovery
Improving the supply and making best use of affordable, supported and privately rented housing to **reduce the gap** between need and supply.	Identifying and targeting resources for those who we know will be **at greatest risk** of becoming homeless.	Helping people **retain their homes**, or if they are already homeless improving the response to provide housing and support to relieve their homelessness.	There will remain a need for temporary and emergency accommodation so we must ensure it is as suitable as it can possibly be and adequate support is provided to help manage the often complex issues that are associated with homelessness.	Preventing repeat homelessness. Around 20% of those who present as homeless to Chelmsford City Council have had previous experience of homelessness and this is particularly common amongst single homeless and those with a history of rough sleeping.

1 Universal prevention of homelessness

Our Housing Strategy 2022 – 2027 is due to be reviewed and renewed, this will set out our plans for improving the supply of homes to meet our local housing needs, especially for affordable and supported housing.

By spring 2027 we will also need to have in place a Supported Housing Strategy as a requirement of the Supported Housing (Regulatory Oversight) Act which will complement both our Housing and Homelessness Strategies.

In the meantime, we will supplement the action plan for this strategy by developing the following actions:

- **Promote the role of our Tenancy Sustainment Officer** to both social and private landlords in Chelmsford and review this in 2027 to see if there are ways it can be improved or need additional resources.
- **Introduce additional resources into the Strategic Housing Service** to improve our partners' abilities to understand our need for affordable homes and improve the supply of both new-build and the existing stock.
- **Continue to work with Registered Providers** to provide support to their tenants at risk of domestic abuse to find ways to avoid the risk of homelessness.
- **Re-launch our Think Before You Serve scheme** providing help and support to private landlords.
- **Continue to develop supported housing** especially in response to the most common causes of homelessness and the need for support.
- **Re-launch our Homeless Families' Forum** to improve awareness of the risks of homelessness and improve the range of support available.

2 Targeted prevention of homelessness

We see **two ways** of improving the way we target the prevention of homelessness.

1. **By addressing the most common causes of homelessness** – eviction by family and friends, eviction from privately rented accommodation, domestic abuse and having to leave institutions such as hospitals and prisons.
2. **By addressing particular groups** who though small in number may be especially vulnerable and at a much higher risk of homelessness than the majority of the population, such as those with a history of rough sleeping, ex-offenders, mental health and refugees.

Effective targeting requires us to provide a range of different options specific to particular causes or groups, so we shall review, develop and explore the following:

- **Homelessness at Home Scheme** – supporting family and friends to understand the range of housing options available, being honest and managing expectations, helping wherever possible people to make a planned move and avoid the risk of homelessness.
- **Review and promote our Think Before You Serve scheme** for private landlords. The introduction of the Renters' Rights Act gives more rights to tenants but does not eliminate the risk of eviction. The need to obtain court orders can create delay and costs for landlords which may be possible to be reduced or avoided.
- **Work with the local domestic abuse forum** to embed the projects which we have set up over the last year and explore the opportunity to extend these, further reducing this as a cause of homelessness in Chelmsford.
- **Review and develop the AFEO scheme** and our work with Probation and HMP Chelmsford, reducing the risk of homelessness for those involved with the criminal justice system.
- **Work with Chelmsford's Single Homelessness Forum** to support and expand support for those who have experienced rough sleeping, maintaining their pathway to independent living and reducing the risk of homelessness in the future.
- **Delivering a programme of accommodation and support with Beam** for refugees who have become homeless, improving their ability to access accommodation, training and employment.
- **Review and develop with supported housing providers** such as Sanctuary and Mind schemes which address the gaps locally for those suffering with mental health and homelessness.
- **Review and commission Housing First scheme with Delta** for entrenched rough sleepers.
- **Progress plans to provide accommodation with support** for those discharged from hospital at short notice

3 Preventing crisis

Some of the actions above will help reduce the risk of people falling into homelessness and crisis. We have to be realistic as to the extent that we are able to go beyond our role as a housing authority to take on additional responsibilities that are beyond our knowledge and expertise.

The government recognises in the national strategy that: “Achieving this vision requires a culture change across homelessness services and the wider public sector.”

In 2026 we shall be expanding our Homelessness Team to improve their capacity to respond to enquiries and approaches about homelessness, with the intention of also reducing their caseloads below the current excessively high level towards of target of below 50.



We shall also work in collaboration with public, private and voluntary organisations in Chelmsford to improve their ability to recognise the risks of homelessness and direct support towards more timely ways to prevent this. This will include:

- Monitoring the use of and raising awareness of their **legal Duty to Refer clients** at risk of homelessness.
- Balancing this with **regular information about the local housing situation in Chelmsford** to manage expectations, emphasising the consequences of becoming homeless and thereby the importance of prevention.
- Explore the benefits of creating a **multi-disciplinary safeguarding group**, informed by local Domestic Abuse Related Death Reviews (DARDR) and other reports to encourage earlier intervention and prevention of risks linked to homelessness.
- **Review and update existing agreements** for the use of some supported accommodation so that it can include those who are at risk of homelessness, thereby creating a way of preventing homelessness.
- Continue to work to **re-establish a mental health navigator** to assist with the diagnosis and treatment for those who are not only homeless but also at risk of becoming homeless.

Under this heading, we are also now seeing a small but **growing number of older people in their 60s and 70s who are becoming homeless**. This is not a group we have previously seen and is one that is rarely if ever considered amongst those usually associated with homelessness. We therefore need to gain a better understanding of this.

- **Monitor and analyse cases** of older people becoming homeless and work with other associated organisations to find ways to identify and prevent this from increasing in Chelmsford.
- If necessary, **explore options for providing suitable accommodation** to help relieve homelessness amongst older people including any essential support that may be required.

4 Improving emergency response

The national strategy sets an expectation that the use of temporary accommodation will be reduced. Preventing homelessness can help achieve this but this has to be complemented by an adequate supply of suitable and affordable housing, if only for those cases of homelessness that can not be avoided.

Chelmsford continues to experience a critical challenge in meeting the need for affordable homes as outline above and consequently has far more households in temporary accommodation than we would like.

Housing authorities, in complying with the national strategy, must now set out in our action plan how we shall ensure that we procure sufficient properties to meet this need and allocate them fairly.

In addition **"These plans must reflect their duties to safeguard and promote the welfare of children, and the action they will take to mitigate disruption of support and essential services."**

Our Housing Service has developed and expanded a team dedicated to managing the need for temporary accommodation which currently provides for nearly 600 households, three times the number of homes we have available to allocate each year through the Housing Register. To ensure we are complying with the requirements of the national strategy and more importantly meeting our legal duties to those who need temporary accommodation we shall as part of our revised action plan carry out a full review of this aspect of the Service. This will involve:

- **Review of the process** used to calculate the future requirements for temporary accommodation.
- The renewed procurement of **nightly let providers** of temporary accommodation.
- **A review of the framework agreement** used for using additional temporary accommodation with other providers when necessary.
- **Review and revise agreement with Delta** for management of temporary accommodation owned or leased by Delta or the Council.
- Continue to **increase the supply of temporary and supported accommodation** that has been or can be adapted to meet the needs of those with physical disabilities.
- **Review the existing policies for providing financial assistance** to help families placed out of area to access suitable accommodation in those areas, minimising further disruption and taking into account the lack of capacity in schools in Chelmsford.
- Continue to progress plans to **increase the number of temporary accommodation places** in Chelmsford to reduce the need to place families out of the area, including the largest of families and those with additional support needs.
- Review and seek to re-commission if necessary our scheme for providing **additional support to families with children** in temporary accommodation.

5 Recovery

We know that for many who experience homelessness accommodation alone is not an effective solution. In many cases the causes of homelessness begin with other issues such as domestic abuse and mental health which are particularly prevalent in the support needs identified in the Personal Housing Plans of all applicants to the Council's Homelessness Team.

The most common support needs identified from applicants are provided below.

Support requirement	%
1. History of mental health problems	38%
2. Poor health & disability	23%
3. Risk or experience of domestic abuse	**17%**
4. Learning difficulties	12%
5. History of repeat homelessness	**11%**
6. History of rough sleeping	**11%**



Note that some people will have more than one need hence total is more than 100%. **Those in bold are proportionately higher than other districts in Essex.**

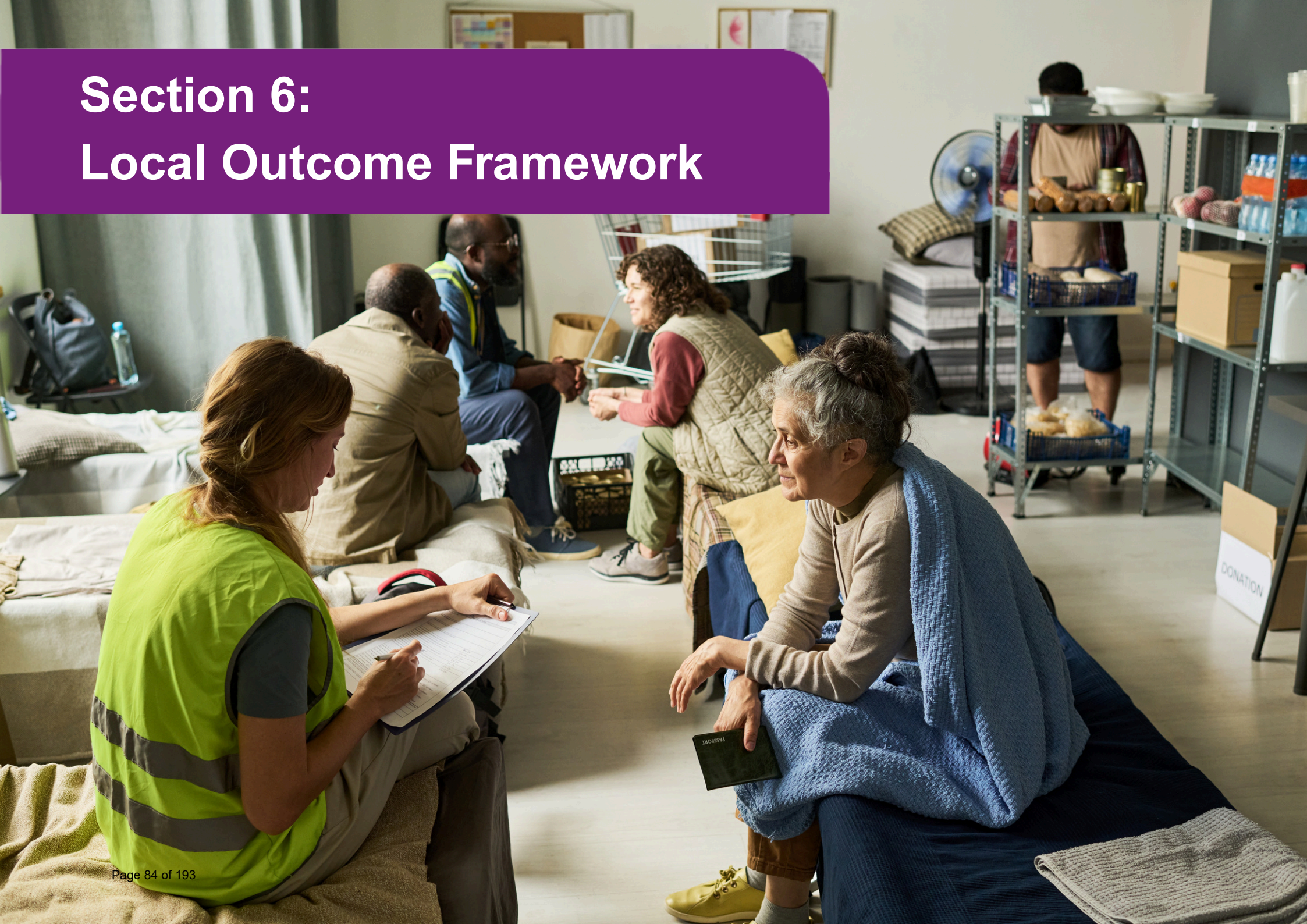
Our current and previous Homelessness Strategies have strengthened our work with a number of partners who are important in helping people manage the experience of homelessness and just as important, the pathway through being housed to managing well enough so that they remain free from the risk of homelessness in the future.

Examples of our existing partnerships include:

- **Rough Sleeper Navigators and Coordinator** – working with local voluntary and statutory organisations.
- **Housing and Probation Navigator** – working to support those who are homeless and under supervision of the Probation Service.
- **Tenancy Sustainment Officer** – working with private and social landlords to help tenants sustain their tenancies.
- **Resettlement Officer** – supporting refugees such as those arriving in Chelmsford under the Homes for Ukraine scheme to access employment and acquire their own homes.
- **Social Care / DWP / Housing officer** – providing support to vulnerable families and single people who have involvement with all three of these organisations in Chelmsford.
- **South Essex and Central Essex Mind** – providing support to families in temporary accommodation and others who need low to medium level support.
- **Disability Working Group** – Social Care, local housing associations and our Housing Allocations team involved with finding and adapting homes to meet the needs of housing applicants with disabilities.
- **Essex County Council Drug and Alcohol Service** – supporting those with issues involving substance abuse.
- **Peabody Floating Support** – commissioned by Essex County Council to help those at risk of homelessness throughout Essex.



Section 6:
Local Outcome Framework



Linked to these key themes, there is now a new framework for evaluating the progress housing authorities are making to achieve the aims of the national strategy. This is part of the government's The Local Outcomes Framework which provides outcomes-based performance measurement against key national priorities delivered at the local level and driven by councils as local leaders of their communities.

Many of actions from previous strategies along with our revised action plan for this revision to our current strategy will serve to meet the government's aims and objectives. From the end of 2026 we will be required to regularly review and update our local action plan by reporting on the following:

a. The number of households with children in temporary accommodation

This will be assessed as a comparison with other housing authorities by recording the number of households per 1,000 of the local area's population. Improving the supply of affordable homes for families will be critical in achieving a reasonable level of performance.

Our aims are:

- **To increase the proportion of temporary accommodation in Chelmsford**, reducing the need to place people in areas outside of our area away from support, employment and education.
- **Reduce the number of families in temporary accommodation** by working with landlords to create a supply of move-on and supported accommodation.
- **Maintain our record of reducing the increase in the need for temporary accommodation** for single people by making better use of supported housing.



b. The number of families in B&B over 6 weeks

Despite the high number of families needing emergency and temporary accommodation, Chelmsford City Council rarely exceeds this but it is essential that we can maintain a supply of suitable alternative temporary accommodation alongside our plans to prevent homelessness and improve the housing supply.

Our aim is to maintain or performance in avoiding the need to place families into B&B accepting emergency cases and then for the shortest possible time.



c. Percentage of duties owed where homelessness was prevented or relieved

This will be measured against the number of cases where a duty to prevent or relieve was owed each quarter. Our success in preventing homelessness has in the past been much better than our ability to relieve homelessness, a reflection of the very limited range of affordable housing options in our city, so we shall have to find new and effective ways of helping people find suitable alternative housing avoiding the need for temporary or homelessness.

Our aim following the implementation of these actions in this strategy will be to increase the number of prevention cases that are positively resolved from 41% in 2025/26 to more than 50% from 2027/28



d. Percentage of duties owed where homelessness was prevented or relieved for homeholds experiencing multiple disadvantage

This will be a sub-group of the previous category but we await more information as to how ‘multiple disadvantage’ will be defined and identified.

e. Number of people sleeping rough on a single night

This will be what is currently recorded and reported as the annual ‘snapshot’ verified by Homelesslink.

f. Number of people sleeping rough each month who are known to be long-term rough sleepers

Long-term in this case means those known to be sleeping rough each month for three or more months each year.

As a result of the actions above our aim will be to maintain a level of rough sleeping below the national average and increases below the national rate.



Other aspects of the Local Outcomes Framework

The Local Outcomes Framework covers a much broader area than housing and homelessness and some of the other aspects will also have a link to this strategy including:

Housing supply: building the homes the country needs so that everyone has access to a home they can afford – linked to the Council's role as the Local Planning Authority.

Housing quality and safety: making sure everyone has access to a decent, safe, and secure home – linked to the Council's role in the regulation of private landlords and overseeing housing standards.

Multiple disadvantage: improving the lives of adults experiencing multiple disadvantages – linked to our partnership working with Essex County Council social care, Integrated Care Board, Criminal Justice and local voluntary organisations.

Keeping children safe (children's social care): keeping children safe in secure and loving homes and help more families to thrive together – linked to the services supporting families experiencing homelessness.

Health and wellbeing: people live healthier lives for longer and health inequalities are reduced – linked to the provision of Disabled Facilities Grants, supported and specialist housing.

Adult social care – neighbourhood health / integration: people who draw on care and support experience joined up health and social care services at a neighbourhood level – linked to the most vulnerable people who become homeless.

Neighbourhoods: people feel safe and included in their local community and are satisfied with their local area as a place to live – linked to the Council's Community Safety Team, those at risk of domestic abuse and those under the supervision of the Probation Service, as well as the management of rented homes, social and private rent.

Child poverty: reduce and alleviate child poverty to improve children's lives and life chances – including those in homeless families.

Many of these are issues which coincide or contribute to homelessness and have therefore always been part of the scope of previous strategies but this is a helpful framework to make sure our Housing Service and our partners continue to collaborate with a 'whole systems' approach.

The Supported Housing (Regulatory Oversight) Act

Throughout 2026 we will be working with a wide range of other organisations including neighbouring housing authorities and Essex County Council to identify the need for housing related support in our area and compare that with the services that currently exist.

This information will help us identify any gaps in Chelmsford and inform an action plan aimed at addressing any shortfall.





Action Plan 2026-2030

Chelmsford City Council

(1) Rough Sleeping					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
1.1	Entrenched rough sleepers	Review and consider expansion of Housing First project	Rough Sleeper Programme funding Delta	Housing and support for growing number of more entrenched cases with complex needs	March 2027
1.2	Complex needs	Support the launch of a local multi-disciplinary group too improve awareness and response to those with complex needs	Rough Sleeper Programme funding Contributions from other partners	Reduction in number of complex cases that are excluded from mainstream services	Ongoing
1.3	Reinstate Mental Health Navigator	Explore opportunities with partners to relaunch this role in mid Essex	Post hosted by health/ICB Contributions to funding from Rough Sleeper Programme	Increase and improvement in number of rough sleepers engaging with health and social care to receive help and support with mental health issues	2027/28
1.4	Outreach services	Re-commission existing outreach services in mid Essex	Rough Sleeper Initiative / Homelessness Prevention Grant	Improved coordination of outreach services at a local level	March 2027

(1) Rough Sleeping					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
1.5	Prevention of rough sleeping	Development of scheme to reduce the risk of homelessness following discharge from hospital	Units already secured; Revenue funding agreed; Subject to planning	Reduction in most vulnerable becoming street homeless	In use by March 2028
1.6		Review and recommission AFEO scheme	AFEO /Homelessness Prevention Grant funding	Reduction in homelessness following release from prison	From April 2027
1.7		Record cause and location of homelessness for local rough sleepers	Existing (Navigators)	Better under	

(2) Homeless families					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
2.1	Improve temporary accommodation	Increase the provision of temporary accommodation in Chelmsford	Redeployment of existing funding	Reduction in number of families placed out of area.	March 2027
2.2		Increase use of modular homes	Capital programme	Reduction in number of families placed out of area	March 2028
2.3		Increase supply of supported accommodation for families in Chelmsford	In partnership with Delta, within existing resources	Better support for families including tenancy sustainment	2027/28
2.4		Review and if necessary, extend existing scheme providing support including help with mental health for vulnerable families in temporary accommodation	In partnership with Mind, MHCLG funding	Reduce risk of tenancy failure and improve access to support	From April 2027
2.5		Renew commissioning of nightly let providers	Existing resources	Secures supply to meet future need	From January 2027

(2) Homeless families					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
2.6	Improve the supply of family homes	Progress development of Council-owned sites	Capital programme and Homes England	Improved supply to that expected from planning gain	Ongoing
2.7		Explore opportunities to enable older tenants in social housing to move into more suitable housing	Existing resources of Council and Delta	Improved supply from existing stock	Ongoing
2.8		Increase engagement with private landlords	Existing resources	Supplement existing supply to help families move on from temporary accommodation, remain in their current areas	From April 2027
2.9		Introduce Housing Initiatives Officer as new role	Existing resources	Additional capacity to work with partners on improving supply of affordable and supported housing	From January 2027
2.10	Review Rent Deposit Scheme	Identify most cost-effective way to help families access privately rented accommodation	Existing resources	Increase options and reduce need / length of stay for families in temporary accommodation	April 2027

(2) Homeless families					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
2.11	Prevention of homelessness	Review the role of Tenancy Sustainment Officer	Existing resources	Identify ways to increase the number of families prevented from becoming homeless	April – Sept 2027
2.12		Explore feasibility and need of re-establishing Homeless Families' Forum	Existing resources	Improves local network of services able to help families avoid homelessness	April – Sept 2027
(3) Domestic abuse					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
3.1	Improve supply of safe accommodation	Continue to work on opportunities to increase supported accommodation	Capital programme, Homes England, partner contributions	Better support and safer accommodation	Ongoing
3.2		Identify and plan to meet the needs of those at risk of exclusion from existing services	Existing resources	Reduction in homelessness and risk of harm	Ongoing

(3) Domestic abuse					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
3.3	Prevention	Work with partners to expand scheme for re-location of perpetrators	Existing resources working in partnership with SETDAB and PFCC	Prevention of homelessness and harm	March 2027
3.4		Review and explore ways to expand My Home My Choice scheme	Existing resources	Prevention of homelessness and harm	2027/28
3.5		Re-establish local domestic abuse forum	Existing resources	Improved local network to identify risk and prevent harm and homelessness	January 2027

(4) Mental health					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
4.1	Relief of homelessness	Extend commissioning of supported housing for single homeless affected by mental health	Existing resources	Reduce use of temporary accommodation and improve support as well as accommodation	April 2027
4.2		Progress plans to provide additional support and accommodation for those leaving hospital	Existing resources	Reduction in homelessness as result of hospital discharge	March 2028
4.3	Prevention	Improve links with Cultural and Leisure Services in developing ways to enhance support	TBC	Wider range of options to complement existing provision in supported housing	2027/28

(5) Young people					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
5.1	Relief and prevention of homelessness	Continue to support the development of a Foyer scheme	Capital programme Homes England YMCA	Better provision for young people at risk of homelessness	2027 – 2029
5.2		Explore reasons for care leavers becoming homeless	Existing resources / Essex County Council	Young people better able to make informed choices to prevent homelessness	2027/28

(6) Refugees					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
6.1	Relief of homelessness	Review partnership with Beam	Existing resources	Assess and develop additional supply of accommodation and support to reduce he need for temporary accommodation, improve choice and access to employment	March 2027

(6) Refugees					
	Issue	**Action**	**Resources**	**Outcome**	**Timescale**
6.2	Relief of homelessness (continued)	Review operation of Homes for Ukraine scheme	H4U Funding	Further development of housing and support options to meet continuing need	January – March 2027
6.3		Review existing partnerships for assisting single people granted leave to remain	Existing resources	Further development of services to meet need of those at risk of homelessness to inform decisions on future commissioning	January – March 2027
6.4	Prevention of homelessness	Review situation of those still with sponsors / in temporary accommodation	Existing resources	Setting reasonable timescales for resolving longer term housing need	April 2027

Thank you to everyone who has assisted with the development of this strategy and the supporting action plan

- MHCLG Advisors
- Probation Service
- HMP Chelmsford
- Essex Drug and Alcohol Service
- CHP
- CHESS
- Chelmsford CVS
- CRH
- Nadiya
- Homeless Link
- Sanctuary Housing Assoc
- Essex Integration
- EPUT
- Public responses
- Reed Partnerships
- Home Group
- Sanctus
- Safer Places
- Next Chapter
- Essex University Law Clinic
- Essex Police
- Homes England
- Prisoners Building Homes
- Essex PFCC
- EELGA
- Mind
- Red Cross
- Springfield Furniture Project
- Chelmsford Food Bank
- Safe Steps
- Essex Re-Offending Board
- Nacro
- Maldon District Council
- Braintree District Council
- Essex County Council
- CAB
- DWP
- Housing Dilemmas
- Cool to be Kind
- SETDAB
- DCN
- Essex YMCA
- Ideas Hub
- Peabody
- Mid Essex NHS
- Local churches
- Phoenix Futures

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https://forms.chelmsford.gov.uk/contactus-housing/



Chelmsford City Council

Appendix 2

Essex County Council Response to Chelmsford City Council's Review and Revision of the Homelessness and Rough Sleeping Strategy 2025-2030

Wed 12/08/2026 18:26

Dear Paul,

Thank you for sharing Chelmsford City Council's draft strategy review and addendum. We welcome the opportunity to contribute to the consultation process and to continue our strong partnership working to prevent and ultimately end homelessness across Chelmsford and Essex.

Firstly, we would like to recognise the strength and clarity of Chelmsford's original Homelessness and Rough Sleeping Strategy, and the significant progress demonstrated through this review. The achievements delivered during the first year are particularly notable given the increasingly challenging national housing and homelessness context.

We commend in particular:

- The expansion of supported housing provision, including specialist accommodation for people with mental health needs and entrenched rough sleepers.
- Continued commitment to Housing First and Rough Sleeper Navigator approaches.
- The strong focus on rough sleeping prevention and recovery.
- Innovative partnership approaches to domestic abuse, including perpetrator housing schemes.
- Joint work with criminal justice partners to reduce homelessness amongst prison leavers.
- Development of accommodation and support pathways for refugees and people granted leave to remain.
- Continued emphasis on tenancy sustainment and homelessness prevention.

These achievements demonstrate the value of locally driven solutions underpinned by strong partnership working.

We are also pleased to see the strategy revised in response to the Government's National Plan to End Homelessness and structured around the five national prevention pillars. We believe the addendum aligns strongly with the Government's vision that homelessness should be rare, brief and non-recurring.

In the spirit of constructive partnership, we have outlined a number of observations and suggestions below.

1. Strategic Alignment and Shared Ambition

The revised framework aligns well with national priorities, particularly the focus on:

- Prevention and early intervention.
- Reducing reliance on temporary accommodation.
- Improving recovery and reducing repeat homelessness.
- Tackling rough sleeping through personalised, housing-led responses.
- Strengthening accountability and outcomes measurement.

As local government moves towards greater integration and eventual Local Government Reorganisation, there is a significant opportunity to emphasise the collective ambition across Essex that homelessness is not solely a housing issue, but a wider system issue requiring coordinated responses across housing, health, social care, criminal justice, education, public health and the voluntary sector.

Suggested Enhancement

Chelmsford may wish to make more explicit reference to how local action will contribute to emerging national and local outcomes, particularly around:

- Prevention and relief success rates.
- Temporary accommodation use.
- Long-term rough sleeping.
- Outcomes for those experiencing multiple disadvantage.

Response

The draft strategy has been revised to include specific targets for these issues which will be reported on a regular basis in the future to MHCLG.

2. Prevention and Early Intervention

Prevention remains one of the strongest aspects of Chelmsford's approach.

The focus on family and friends' exclusions, private rented sector prevention, domestic abuse, hospital and prison discharge pathways, and refugee homelessness reflects both local need and national priorities.

Health and Hospital Discharge

The review identifies a significant increase in homelessness associated with hospital discharge. This reflects a growing national concern and aligns with the Government's ambition that no one eligible for assistance should be discharged from hospital into homelessness.

ECC would welcome stronger reference to:

- Joint Hospital Discharge Protocol that is about to be approved by Chelmsford City Council and wider Essex partners including Essex ICB

- Housing representation within discharge planning.
- Intermediate accommodation and step-down provision
- Greater analysis of the demographics and support needs of those becoming homeless following hospital discharge, helping shape future prevention activity

Response

We share these concerns and will continue to work on the review and further development of this protocol. There is a need to continue to understand and improve the joint working between health and housing especially when both services are so stretched and currently lack resources to meet some local needs. The strategy includes as an action the development of supported accommodation specifically in response to our concern about the rising numbers becoming homeless on discharge from hospital.

Young People and Care Leavers

The strategy could place greater emphasis on young people at risk of homelessness, particularly 16 and 17-year-olds and care leavers. The National Plan places significant emphasis on preventing youth homelessness and ensuring homelessness is never used as a pathway from care.

Across Chelmsford and Essex, strong partnership arrangements already exist to support these cohorts. Essex County Council commissions a range of supported accommodation and support services for vulnerable young people, including the NACRO Employment Support and Transition (NEST) service, which provides both accommodation-based support and floating support to eligible young people living independently, in temporary accommodation or moving towards independent living.

The scale of this partnership work is significant, and continued alignment between housing services, Children's Services, supported accommodation providers and commissioned support services will be critical to ensuring vulnerable young people receive the support they need before housing situations reach crisis point.

Data and Predictive Analytics

The national strategy places considerable emphasis on predictive analytics and data-led prevention.

Chelmsford may wish to reference opportunities to:

- Develop shared intelligence approaches across Essex
- Use predictive tools to identify households at risk earlier
- Support countywide work on data sharing and early intervention

ECC would welcome continuing collaboration in these areas.

Response

Social Care has the prime responsibility for young people with limited housing options for those who are not an adult but we agree on the importance of gaining a better understanding of the reasons why those leaving care are often at higher risk of being homeless, whether when leaving care or in the early stages of adulthood. If Essex County Council are able to provide data to help us develop better knowledge to anticipate and reduce the risk of homelessness this would help with reviews of this strategy and the development of our Supported Housing Strategy in 2027. The Homelessness Strategy includes as an action the development of a Foyer for young people which we would welcome collaboration with ECC.

3. Strengthening the Duty to Collaborate

One of the most significant developments within the National Plan is the proposed Duty to Collaborate across public services.

Chelmsford's strategy already demonstrates strong partnership working. However, explicit reference to how housing, adult social care, children's services, health partners, probation, DWP, education providers and the voluntary sector will collectively fulfil this expectation would strengthen the strategy and help future-proof local arrangements.

ECC strongly supports this approach and recognises that effective prevention increasingly depends upon coordinated intervention across public services. We would be keener to work with you over the coming months on this area of work.

Response

We shall continue to build on our excellent relationship between our two Councils and expect this will be strengthened by the planning that is now underway for LGR.

4. Temporary Accommodation and Families

The review provides a clear and honest assessment of the pressures facing temporary accommodation services.

Particularly welcome are:

- Expansion of council-owned accommodation
- Ongoing acquisition and leasing programmes
- Limited use of B&B accommodation for families
- Strong operational oversight of temporary accommodation provision

The National Plan places particular emphasis on children's experiences of temporary accommodation and reducing disruption to education, health services and support networks.

Suggested Enhancements

Additional emphasis could be given to:

- Children's educational outcomes
- Minimising repeat moves for families.
- Ensuring safeguarding considerations remain central to placement decisions

These themes align strongly with wider county priorities around children, families and safeguarding.

Response

The Housing Authority has very limited ability to influence children's educational outcomes but we understand the link with homelessness and will continue to work closely with the Education Authority to address the problem of lack of capacity in local schools which has restricted our abilities to meet our legal obligations to some homeless families. Revisions to this strategy seek to reduce the number of families in temporary accommodation, their time in temporary accommodation and placements outside of Chelmsford. The latter will require assurances that school places will be available in Chelmsford.

Opportunities for Collaboration

ECC would also welcome continued exploration of:

- Cross-district collaboration
- Joint procurement opportunities
- Strategic responses to increasing demand pressures across Essex

Response

We share ECC's enthusiasm for collaboration and expect this to be accelerated as we progress with plans for LGR, recognising that there will remain a need for new unitary authorities to work together in the future in the same way we do as district councils.

5. Rough Sleeping, Multiple Disadvantage and Recovery

We welcome the sophisticated understanding of rough sleeping reflected throughout the strategy and the recognition that rough sleeping is not a single cohort but a spectrum of needs requiring tailored responses.

Particularly welcome are:

- Housing First
- Rough Sleeper Navigator provision

- Mental health supported housing
- Criminal justice pathways
- Focus on repeat homelessness and recovery

Multiple Disadvantage

The National Plan places significant emphasis on supporting people experiencing multiple disadvantage, often involving overlapping experiences of homelessness, poor mental health, domestic abuse, substance misuse and criminal justice involvement.

The strategy could be further strengthened through greater reference to:

- Trauma-informed practice
- Multiple disadvantage approaches
- Integrated support models
- Coordinated pathways spanning housing, health, social care, substance use services and criminal justice partners

This would align strongly with both emerging national policy and countywide partnership activity.

Response

Our priority must be to increase the supply and range of housing, including supported accommodation, most of which will be delivered through partnership working. We would welcome adding to this closer working with others, as indicated by our plans to develop greater collaboration with mental health, criminal justice and other voluntary and statutory services. At this stage we feel it is too early to be more specific about the detail of support that some may require, recognising the demands on Chelmsford City Council as a housing authority but we are confident that through our current plans and progression to LGR we and our partners will continue to adjust and refine our services to complement other organisations for the benefit of our community.

6. Supported Housing and Strategic Commissioning

We welcome the recognition of the Supported Housing (Regulatory Oversight) Act and the need to develop a local Supported Housing Strategy.

This represents a significant opportunity for collaboration across Essex.

Suggested Areas of Focus

We would encourage strengthening references to collaborative work with Essex County Council and neighbouring authorities to:

- Identify gaps in provision
- Support better move-on pathways

This should include particular consideration of:

- Mental health
- Learning disability and autism
- Older people
- People with complex needs
- Young people, including 16/17-year-olds and care leavers transitioning to independence
- The role of supported accommodation and floating support services in preventing homelessness and supporting successful move-on.

ECC is keen to ensure strong alignment between local supported housing strategies and the emerging countywide supported housing framework and commissioning.

Response

We acknowledge that this is about our forthcoming Supported Housing Strategy, officers in our Housing Service have already been working closely with colleagues at ECC creating an Advisory Board to assist with the cooperation needed for this work and we will continue with this, including the actions suggested, as we progress the development of this strategy in 2026/27

7. Lived Experience

One area which could be strengthened further is the role of lived experience.

The National Plan places considerable importance on ensuring services are shaped by people who have experienced homelessness and rough sleeping.

Suggested Enhancement

Consider including a commitment to:

- Involving people with lived experience in service design
- Using lived experience forums and consultation mechanisms
- Embedding co-production principles within future service development

This would complement Chelmsford's strong partnership approach and reflect national best practice.

Response

We agree and recognise our current limitations, partly due to the need to cooperate with our partners as well as those who have used their services. Rough sleeping and domestic abuse are two recent examples of where we have engaged with services users and this has informed the development of new projects and schemes but we may not always have made this clear. We

will aim to adopt this approach to a wider range of future projects in the future such as young people, mental health and homeless families.

8. Public Health, Social Care and Wider Determinants

We strongly support the recognition that accommodation alone is not sufficient to end homelessness.

The strategy already acknowledges the importance of mental health, domestic abuse and wider support needs. This could be further enhanced through explicit reference to:

- Public health
- Adult social care
- Safeguarding
- Employment and skills
- Financial inclusion and debt advice
- Substance use treatment and recovery

We would also encourage stronger recognition of the role of Children's Services and transitional support for young people moving towards independent living.

Effective prevention for young people requires housing, support, education, employment and safeguarding services to work together, recognising that homelessness can often be prevented through earlier intervention and coordinated support.

Response

Our strategy can not direct Services in other authorities but we will follow up on an offer of future collaboration, especially for young people leaving care (mentioned above) and the wider needs of families especially where this would help improve the possibility of preventing homelessness.

9. Language and Terminology

We note the use of the term "institution" in relation to homelessness arising from discharge from services.

Whilst this terminology is recognised within homelessness policy, consideration could be given to using language that more explicitly references hospital discharge, prison release and other relevant pathways. This may better reflect the lived experience of those affected and align more closely with the language used within the National Plan to End Homelessness.

Response

We have tried to be specific where possible in the strategy, e.g. release from prison or discharge from hospital but as accepted, currently many of these cases are recorded and reported to MHCLG as 'leaving institutions' and at that stage it is not possible to then disaggregate into more detail when looking at the broad causes of homelessness.

10. Local Government Reorganisation

We welcome the pragmatic approach taken towards Local Government Reorganisation.

As Essex transitions towards new unitary arrangements, there will be opportunities to build upon the strong partnership working already established across the county.

It may be helpful to further articulate:

- How existing homelessness partnerships will be maintained
- How effective practice developed in Chelmsford can inform future arrangements
- How strategic collaboration with ECC and neighbouring authorities will continue throughout the transition period

Response

The timing of this Strategy is slightly too premature to deal with these issues without predetermining what will in most cases be decisions to be agreed with others. We have however suggested that Partnerships and Agreements should be a specific workstream as we plan for the implementation of LGR. This includes services which are commissioned by ECC and have an impact on our duties under the homelessness legislation.

Conclusion

Overall, Essex County Council considers this to be a strong, evidence-based and forward-looking review which:

- Builds effectively upon Chelmsford's existing strategy
- Reflects local needs and challenges
- Demonstrates a commitment to prevention and partnership
- Aligns closely with the Government's National Plan to End Homelessness
- Provides a clear framework for future delivery.

Most importantly, the review recognises that ending homelessness cannot be achieved by any single organisation acting alone. Success will require sustained collaboration between housing authorities, health services, social care, children's services, criminal justice agencies, supported housing providers, voluntary sector organisations, and people with lived experience themselves.

We particularly recognise the importance of partnership working to prevent homelessness amongst young people, care leavers and vulnerable adults. Across Essex, significant progress has already been achieved through joint working between district councils, Essex County Council, housing providers and commissioned support services. Building on these partnerships will be central to achieving our shared ambition that homelessness becomes rare, brief and non-recurring.

Essex County Council shares Chelmsford City Council's ambition that homelessness should be prevented wherever possible, that any experience of homelessness should be brief, and that together we can work towards ensuring it is non-recurring.

We look forward to continuing our partnership with Chelmsford and colleagues across Essex to deliver improved outcomes for residents and to realise our shared ambition of ending homelessness.

With thanks again for the opportunity to contribute.

Regards,

Rod

Rod Cullen

Housing Growth Lead (Homelessness & Rough Sleeping)

Housing Growth Team

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Chelmsford City Council Cabinet

13th October 2026

Mid-Year Financial Review 2026/27

Report by:

Cabinet Member for Finance

Officer Contact:

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phil.reeves@chelmsford.gov.uk

Purpose

To update Members on the Council's overall financial outlook for current and future years, including managing the risk of Local Government Reorganisation.

Options

To agree or vary the proposals contained within this report whilst paying regard to the financial sustainability of any amendments.

Preferred option and reasons

Accept the report's projections and recommendations. The report outlines the likely financial outcomes based on current approved policy and budgets.

Recommendations

That Cabinet

1) Notes the in-year monitoring and the financial forecast
2) Approves the actions to produce a Budget recommendation to Council in February 2027
3) Approves the amendments to the capital programme set out in Appendix 2

Summary of Key Points

- The Council's revenue budgets are forecast to have annual deficits. This is not unusual and is to be expected given Government funding limitations and inflation.
- The normal budget process should enable future budget shortfalls to be alleviated. However, the budget gap for 2028/29 is forecast to be more challenging.
- The report identifies some key areas where additional investment has been made in services and the approach to setting a budget and Council Tax for 2027/28.

1. Introduction

1.1. The recent Government announcement on Local Government Reorganisation (LGR) means work on merging Essex authorities has stopped. The process may be cancelled or delayed until at least April 2029. Financial planning must allow for all options until the Government makes further information available.

1.2. Given the uncertain outlook, the City Council's financial planning will continue to be based on the existing plans and policies, and LGR costs will be managed by maintenance of a sizeable reserve. It remains the case that operational and financial restraints arising from LGR could be imposed on the Council during the next two financial years.

1.3. In January, Cabinet is legally required to make a proposal to February Council for the 2027/28 Budget. This report forms a key part of that process, enabling Cabinet to:

- develop a robust and balanced budget proposal for 2027/28; and
- manage the Council's finances sustainably over the longer term, including providing the best possible starting position for any new unitary authority.

1.4. A balanced budget for a Council is legally defined as when the expenditure plans of the authority are fully funded from income and reserves.

1.5. The assessment of a robust budget is made by the Council's statutory finance officer (s151 officer) and is included with the budget proposals made to Council each February.

1.6. The Council is legally required to budget and account for its finances in the following categories:

- Revenue: day-to-day expenditure on delivering services, such as employee costs
- Capital: broadly, expenditure that relates to the acquisition or enhancement of assets which have a useful life of more than 12 months and are charged to the Council's balance sheet.

2. Content of Report

2.1. For Cabinet to assess the current and projected financial position, this report includes projections of:

- Appendix 1 – current year (2026/27) revenue expenditure and income measured against the original budget
- Appendix 2 – capital programme expenditure and funding projection
- Appendix 3 – five-year forecast of revenue expenditure and income
- Appendix 4 – five-year forecast of revenue reserves

2.2. Using the financial projections, a high-level summary of actions has been produced.

3. Summary of the Monitoring of 2026/27 Revenue Expenditure and Income as detailed in Appendix 1

3.1. The council undertakes regular monitoring of in-year income and expenditure (revenue) compared to the original budget. This section reports the latest monitoring.

3.2. The general reserve is used to fund one-off expenditure, overspends and make good temporary reductions of income. The difference between the forecast use of the General Fund Reserve in 2026/27 and the amount assumed in the original budget provides a good measure of how in-year income and expenditure are performing against the overall budget. A higher than budgeted use of the reserve indicates that expenditure has exceeded budget, income has fallen short of budget, or a combination of both. Conversely, a lower than budgeted use of the reserve generally reflects lower expenditure, higher income, or a combination of the two.

3.3. The General Fund Reserve use is now forecast to be £0.81m higher than the original budget, with the balance expected to be £11.869m on 31 March 2027. The balance remains above the £9m minimum level recommended by the s151 officer. The level of general fund balance is discussed later in the report. The key variations explaining the change are:

- £1.076m underspent on debt repayment due to timing of borrowing being later and at a lower level than budgeted
- £0.243m estimated net additional income from the Theatre
- £1.480m approved overspend on staffing and other expenditure, to be funded from the General Fund and LGR Reserve.
- The City Council, with other councils across Essex, is reviewing the additional expenditure incurred since submitting the LGR business case, with the aim of seeking reimbursement from Government. However, it is unclear whether Government funding will be available. On the basis of financial prudence, it is currently assumed that these costs will be met from the Council's LGR Reserve. The £0.124m charged to the LGR Reserve relates only to additional expenditure incurred by the City Council. Further shared costs from across the Essex system will be identified over the next few weeks.
- £0.720m estimated net overspend on Temporary Accommodation (TA) due to the higher number of households at the end of 2025/26 and over the first 5 months of 2026/27 compared with the budget.
- £100k estimated overspend on Housing Benefit subsidy, due to an increase in benefits that cannot be recovered from Government for supported housing schemes.
- If the landlords were registered social landlords, the full costs could be recovered from Government. The Council is working with CHESS to change their status to registered social landlord, which the Council expects will generate savings in future years.

3.4. Within Appendix 1, page 27 is a list of supplementary (additional) budget approvals. There is existing funding within the budget to fund some growth identified in year:

- The 2026/27 budget includes £0.3m funded from reserves for one-off growth items.
- A further £0.2m is included for ongoing growth identified during the year.

3.5. To date, £0.44m of ongoing costs have been approved, of which £0.2m is funded from the above, growth provision in the 2026/27 budget.

3.6. A further £1.341m of one-off growth funding has been approved. The 2026/27 budget includes a £0.3m provision to fund one-off growth. The spend includes support for an orderly LGR process which in practice is operational improvements that would otherwise have been planned for later years. An example is procurement compliance improvement work, which has previously been identified to the Audit and Risk Committee.

3.7. The ongoing growth items are mainly service improvements for the public. Members are asked to note that the enhanced service items include:

- Community Protection officers, £90k. These roles will focus on littering and fly-tipping enforcement across the City Council area.
- Principal s106 planning officer, £74k. This role will coordinate and accelerate the completions of Section 106 agreements of strategic development sites (agreements with developers setting out the infrastructure they will provide or fund). This will help maintain housing supply and unlock affordable housing delivery.
- Planning Compliance officer, £40k. This role will monitor developers' compliance with planning conditions and will increase the number of retrospective planning applications for non-compliance.
- Bulky waste additional round, net £40k. This will provide a quicker service to residents for collection of bulky waste items.
- Natural Environment officer, £45k. This role covers increased work relating to statutory biodiversity net gain requirements.
- Sports Marketing officers, £60k. These roles will ensure the Council matches the growth in demand for marketing services against increasing income targets in a highly competitive local market.
- Climate Support Post £30k. This role will improve the Council's focus on the climate emergency, driving initiatives to reduce the Council's carbon footprint and increasing public engagement and education.

4. The Capital Programme and its associated financing costs (Appendix 2)

4.1. Appendix 2 includes the details of the approved capital programme and budget variances. These variations need approval.

4.2. Commentary on Appendix 2

Capital Programme

- The capital programme is forecast as a net £0.128m lower than the approved budget.
- Cabinet is asked to approve an additional £0.161m for the costs forecasts shown on appendix 2 on pages 33 to 41. Details are provided for a summary of those variations in excess of £25k, page 42 .

Replacement Programme

- The current budget for the Replacement Programme is £10.413m in 2026/27 and £5.966m in 2027/28.
- Following service reviews, the 2026/27 budget can be reduced to £8.285m. Of this, £2.076m can be deferred to later years and £0.077m savings have been identified. However, additional spend is needed due to price increases (£0.025m) and earlier replacement than planned (£0.013m).
- For 2027/28, the budget needs to increase by £2.183m (slightly more than the 2026-27 reduction). Most of this reflects the deferral of planned spend but a small actual saving has been found. Additional spend is needed due to price increases (£0.225m).
- A detailed list of variations over £25k is shown in Appendix 2.

4.3. The cost increases needing approval across the two years are £0.250m.Within Appendix 2, there is a forecast of the revenue cost of financing the capital programme. It also includes details of forecast borrowing and CIL income.

5. Revenue Five-Year Forecast Projections (details are in Appendix 3)

5.1. Given the uncertainty regarding the future LGR, the normal practice of preparing a five-year budget forecast will continue. As in previous years, the forecasts show deficits. In the view of the s151 officer, a normal level of deficit is in the range of £1m to £1.5m, judged in the context of gross Council expenditure in excess of £100m a year.

5.2. The forecast currently shows (table):
Revenue Forecast Annual Budget Deficits

Revenue Forecast Annual Budget Deficits				
27/28	**28/29**	**29/30**	**30/31**	**31/32**
£000s	**£000s**	**£000s**	**£000s**	**£000s**
1,236	2,530	1,611	1,330	1,567

5.3. The s151 officer considers the 2027/28 deficit to be within the normal annual range of £1m to £1.5m. It is expected to be resolved, based on experience of many previous years, by the time of the January 2027 Cabinet meeting, and the actions required are discussed in paragraph 6. These actions are broadly the same as in previous years.

5.4. The 2028/29 deficit is significant, and work will now begin to resolve it. As the main additional costs forecast relate to Temporary Accommodation and capital financing, initial work will focus on those areas. It should be noted that the Council has previously found ways to alleviate similar pressures.

5.5. The deficits for 2029/30 onwards return to levels at the upper end of the normal range of circa £1.5m per year. Given the uncertainty regarding LGR, it remains difficult to plan for these deficits, and the Council's approach should be to continue to minimise the financial pressures in those years.

5.6. The forecast's key assumptions of note are:

- A 3% Council Tax increase in each year; the Government's funding settlement assumes that all lower-tier local authorities raise Council Tax by that amount annually.
- Supplementary estimate allowance of £300k per annum (for growth), funded from reserves.
- The number of households placed in temporary accommodation is assumed to increase by 55 each year, at an average cost of circa £15,200 per case, plus inflation. A significant part of the increase in the 2027/28 estimate is a consequence of the overspend forecast in 2026/27. The forecast does not yet allow for any significant mitigation actions, which will be identified in the 2027/28 budget once they are more fully developed.
- Capital financing costs are based on the programme shown in Appendix 2 plus allowances for possible cost changes. Previous estimates have overstated financing costs, and it is expected that further work on the estimate will lower the projected costs.
- Planning charges: Government has long promised, but not yet delivered, complete freedom for councils to recover their planning costs fully from fees, which have historically been set centrally by Government below cost. Government has allowed a large increase in planning charges in December

2026 but retained control. It is still proposing to provide greater freedoms, but there remains a lack of clarity. The budget includes £800k for additional income. This was calculated last year, and officers are now reviewing that provision. The timing of decisions and the uncertainty around charges mean reserves may be used to smooth any changes. This will be addressed in the 2027/28 budget.

- Additional costs arising from volatile vehicle fuel price changes will be managed via reserves, reflecting the expected temporary nature of the price increases. The cost of utilities is mostly fixed for 2027/28, but a reserve will also be used to manage any cost increases.
- Pay costs are forecast at 3% for 2027/28 and 2.5% thereafter. There is a risk that costs will be higher if inflation rises significantly.
- Government funding is assumed and unlikely to increase within the Government's three-year settlement period to 2029/30.

5.7. The revenue projection identified in Appendix 3 can be adjusted for risk. These may be items which are not yet approved, are uncertain to take place, or where the cost has not been sufficiently determined. This analysis is intended to provide some downside risk sensitivity to the forecast, but a full review of risks will be made in the 2027/28 budget report. Given the uncertainty, the figures cannot be considered robust.

	27/28	28/29	29/30	30/31	31/32
Variations on Prior Year	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**
-Surplus/+Deficit	1,236	2,530	1,611	1,330	1,567
Financing cost of Crematorium and additional running costs (£1.3m)	133	398	769	0	0
Adjustment for net change from higher pay at 3.5% pa		242	484	484	484
Crematorium additional income £0.76m increase			-250	-250	-260
Interest rate -example of 0.5% increase in assumption	222	92	26	-59	-27
Planning Income - freedoms not granted	TBC				
Forecast adjusted for major risks (annual change)	**1,591**	**3,262**	**2,640**	**1,505**	**1,764**

5.8. Reserves continue to be used to support the budget where appropriate. Projections of reserves are discussed below (detailed figures in Appendix 4)

6. Reserves: 5-Year Forecast Appendix 4

6.1. The Council's reserves are revenue money set aside to fund future known costs, manage known risks and cover unexpected costs or loss of income. The Council has earmarked reserves for specific risks and costs, and it has an unearmarked General Fund balance to help deal with unexpected costs. The projected level of reserves is shown in detail in Appendix 4; these are not intended for approval but enable consideration of financial risks and how those risks might be managed in the budget process.

- The reserves forecast shows the 2026/27 forecast and the five years of the forecast period to 2031/32.
- The forecast currently assumes minimal use of the LGR Reserve due to the Government's decision to stop and review LGR for Greater Essex in September 2026. The existence and use of the LGR Reserve will be reviewed when further information is received from Government.
- There are a range of transfers and uses of reserves in 2027/28, which are identified and discussed in Appendix 4.

- The s151 officer is required to set a recommended level of General Fund Reserve (contingency); the target remains at £9m. A review of the recommended level of General Fund balance will take place in the 2027/28 budget in the light of changes in perceived risks.
- The General Fund balance is forecast to fall from £11.869m to £9.2m in the five-year forecast period. That is marginally above the £9m target set by the s151 officer.

7. Actions & Conclusions

7.1. The recommended actions are to balance the 2027/28 budget through the actions identified below and to begin work to address the 2028/29 budget deficit.

7.2. Given the annual approach and forecast position, the budget process will need to:

- retain significant flexibility in approach;
- review temporary accommodation caseload forecasts to ensure that all current and expected initiatives and actions are included in the estimates. This should reduce cost estimates compared with the current forecast;
- undertake the annual service budget review process by Directors, in consultation with Cabinet Members, to identify savings with limited impact on service delivery. Overall savings are likely to be small but will remain essential;
- identify any additional revenue funding for service enhancement or essential to maintain services;
- if needed, use any additional freedoms offered by Government to increase Council Tax in 2027/28 to protect against service cuts;
- review the capital programme to ensure spend and any financing costs are needed to effectively meet corporate priorities. The Council's assets should continue to be reviewed and managed to keep costs low and increase income either from disposals or revenue income. Review if any slippage of capital schemes and replacements can be applied to push projected deficits to later years;
- review all fees and charges;
- use reserves to offset temporary income losses and smoothing in additional costs;
- start work on the budget shortfall for 2028/29 now, while maintaining focus on ensuring a balanced budget for 2027/28;
- seek to minimise the forecast budget gaps for the years after 2028/29, even though the uncertainties regarding LGR make long-term planning difficult.

List of appendices:

- Appendix 1 - current year 2026/27 revenue expenditure and income measured against the original approved budget
- Appendix 2 - capital programme expenditure and funding
- Appendix 3 – forecast five years of revenue expenditure and income
- Appendix 4 – forecast of five years revenue reserves

Background papers:

None

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	To assist in meeting the legal requirements placed on the Council to set a balanced budget and approve a level of Council Tax for the coming year.
Financial	As detailed in the report. The recommendations enable the drafting of budget proposals for 2027/28
Potential impact on climate change and the environment	The Council's budget supports the Council in delivering its environmental objectives.
Contribution toward achieving a net zero carbon position by 2030	The report provides funding for initiatives to contribute towards this goal.
Personnel	Within the Budget, employee costs are the largest single expenditure. The limited financial resources and increasing inflationary pressures will make it difficult to maintain existing staffing levels.
Risk Management	A basic review of risks is included. A full review of financial risk will be made by the s151 officer in the budget report.
Equality and Diversity	None. There are no decisions which would have impact.
Health and Safety	None. There are no decisions which would have impact.
Digital	None. There are no decisions which would have impact.
Other	None. There are no decisions which would have impact.

Equality Impact Assessment

Assessment of impact

Using the information above, assess if the policy / function could potentially disproportionately impact on different protected groups.

Specify if the potential impact is positive, could adversely impact or if there is no impact. If an adverse impact, indicate how the impact will be mitigated.

Please note any data used in the impact assessment should be anonymised and with due regard given to data privacy in line with GDPR.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Age What will the impact be on different age groups such as younger or older people?			No impact		
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate			No Impact		
Pregnancy and maternity Pregnant women and new and breastfeeding Mums			No Impact		

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership			No impact		
Sex Is the service used by people of both male and female biological characteristics or intersex and are the sexes given equal opportunity?			No Impact		
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment?			No Impact		

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Additionally, is there an impact on people with different gender identity?			No Impact		
Religion or belief Includes not having religion or belief			No Impact		
Sexual Orientation What is the impact on people of different sexual orientation such heterosexual, lesbian, gay or bisexual people?			No Impact		
Race Includes ethnic or national origins			No impact		
Are there any other groups who could find it difficult to			No impact		

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
access or make use of the policy / function? For example: low income / people living in rural areas / single parents / carers and the cared for / past offenders / long-term unemployed / housebound / history of domestic abuse / people who don't speak English as a first language / people without computer access etc.					

Consultation on Equality Impact Assessment

None required – this report is not a decision making report

Equality Impact Assessment Conclusion

Decision	Explanation
☐ **Continue the policy with no changes** **No changes**	
☐ **Continue the policy with adjustments** **No change no risk**	

☐ **Adverse impact but continue** *N/a*	
☐ **Suspend or withdraw the policy for further review / consideration of alternative proposals** **n/a**	

Consultees:

All services have been consulted on their relevant budgets

Relevant Policies and Strategies:

Capital, Investment and Treasury Management Strategies 2026/27 (Full Council February 2026)

Budget report 2026/27 (Full Council February 2026)

APPENDIX 1

Summary Revenue Monitoring

This dashboard highlights the latest forecast for year end spend, income and reserve movements for the current financial year.

The **General Fund Reserve position** is forecast to be **£0.81m worse off than the Original Budget** summarised by the key variations.

Favourable:

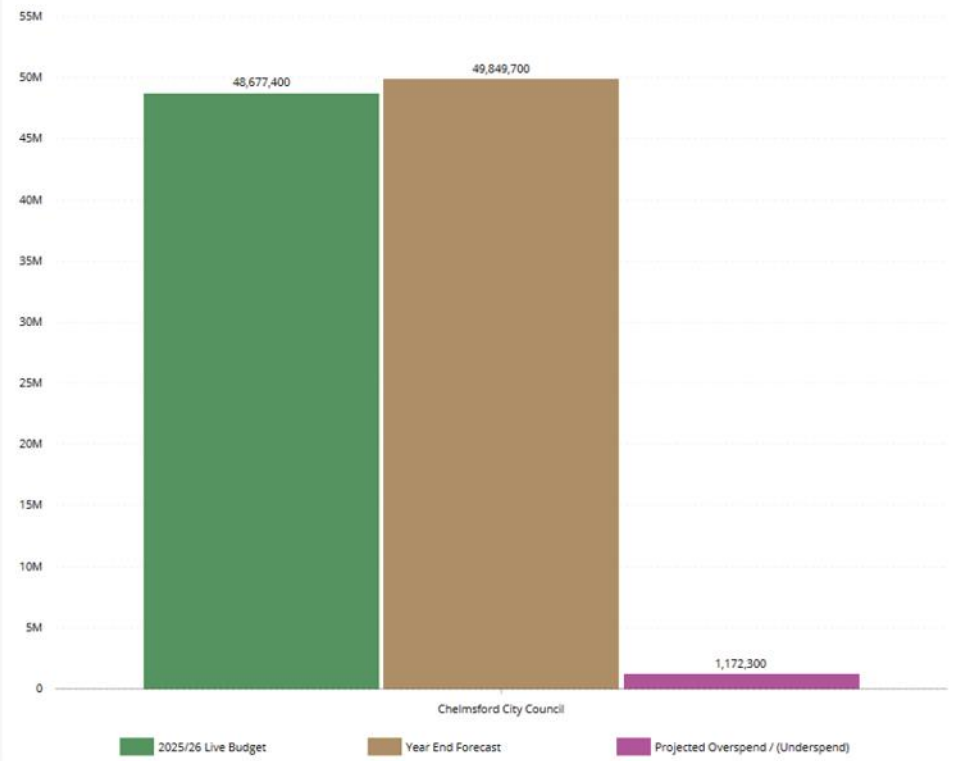
- £1,076k underspent on debt repayment due to timing of borrowing being later and at a lower level than budgeted
- £243k estimated net additional income from the Theatre

Adverse:

- £1,480k approved overspend on staffing and other expenditure to be funded from the General Fund (£1,356k) and LGR Reserve (£124k)
- £720k estimated net overspend on TA due to increased caseload at the end of 25/26 and start of 26/27 compared to the budget
- £100k estimated overspend on HB subsidy, due to increased losses around supported housing schemes, with several providers not being Registered Providers.

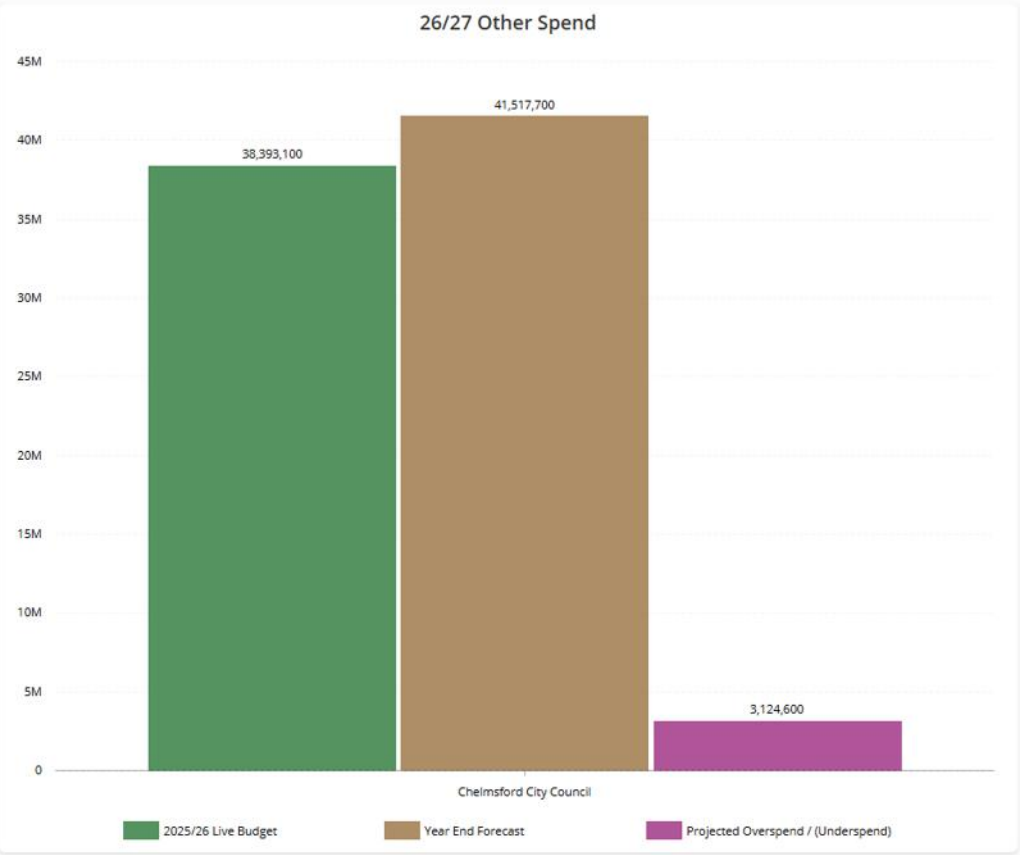
The charts below highlight the income, expenditure variations and the associated actions and risks, with non-service items and reserves movements at the bottom of this dashboard.

26/27 Employee Spend



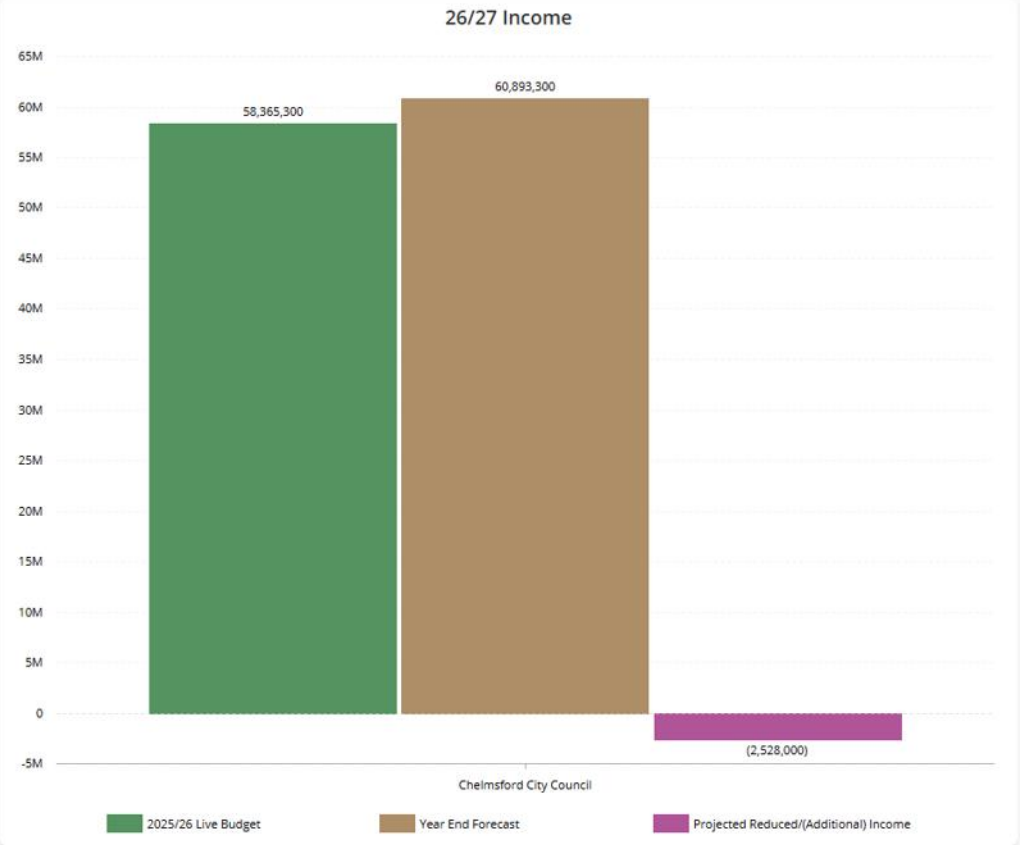
Employee Key Variations, Actions and Risks

Variations	Actions	Risks
£711k approved overspend for various roles funded by supplementary estimates	Recruitment is in process for some of these roles to be filled, with others already filled	Additional supplementary estimates continue to be needed beyond the £300k central provision
£568k overspend on staff offset by additional grant or other income	Continue to monitor grant spend and income across the Council and maximise where possible to fund expenditure	Spend does not meet grant conditions and income has to be paid back
£230k underspend due to pay award central provision not needed	Release as a saving as part of 27/28 budget	Pay awards in future years outstrip budgeted level
£125k net overspend due to vacancy factor not being achieved	Continue to review throughout the year as further vacancies could materialise or savings could be generated for future years	Service provision is impeded with increasing vacancies



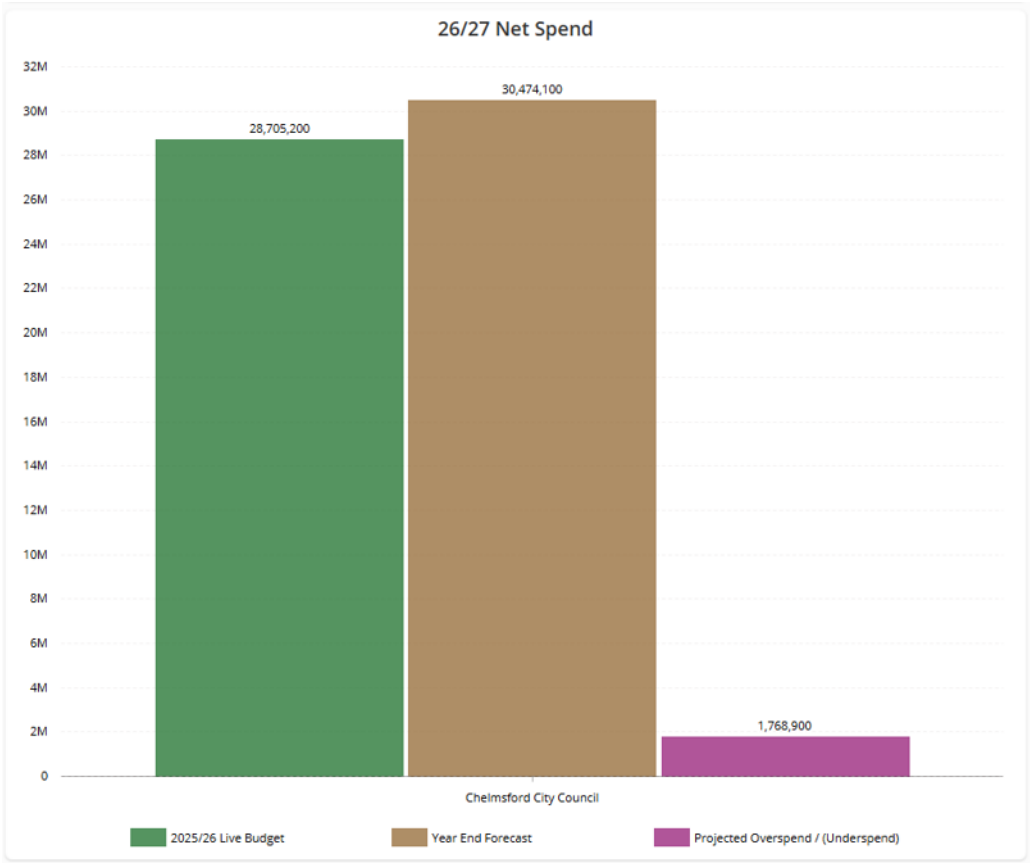
Other Spend Key Variations, Actions and Risks

Variations	Actions	Risks
£1,232k overspend on TA costs due to an increased caseload compared to expected, both at the end of 25/26 and the start of 26/27, offset by increased income for a **net overspend of £720k**	Recruit to the Housing Initiatives Officer post to drive new and cheaper solutions for TA	The cost per case also increases and the caseload continues to rise above budgeted levels
£332k overspent on Theatres operational spend due to increased activity, offset by additional income, for a **net additional income of £243k**	Budgets have been realigned based off of 25/26 outturn for 26/27, further adjustments will be made for 27/28	Larger shows are not programmed in for future years
£771k overspent on grant schemes which is **offset by increased income below (£124k PHPS, £26k UKSPF, £219k Planning, £402k Housing)**	Assess whether any grant income and expenditure is ongoing for future budgets	Grant income falls away but the associated expenditure is still required in future years
£769k approved overspend for items approved by supplementary estimate (Highlands Farm Response, Sports Marketing, High Chelmer advice, Urban Grants, Public Art, Car Park works, Revs and Bens Software, Website, Bulky Waste Collections, AI in Customer Services)	Reflect any ongoing spend in future budgets	Supplementary estimate requests continue to outstrip the central provision
£237k estimated underspend on insurance premiums following tender	Realign budgets as part of the MTFS	Future years tenders result in increased costs
£115k overspend on Local Plan due to slippage from 25/26, offset with use of reserves	Reassess the reserves position over the 5 year forecast	Additional contributions to reserves are needed above the current provision
£122k estimated overspend on building maintenance costs, predominantly in Parks and Leisure	Review condition of buildings and delay spend where possible	Condition surveys result in further work being needed
£21k net various minor overspends across the Council and different budgets	Review whether ongoing with services	



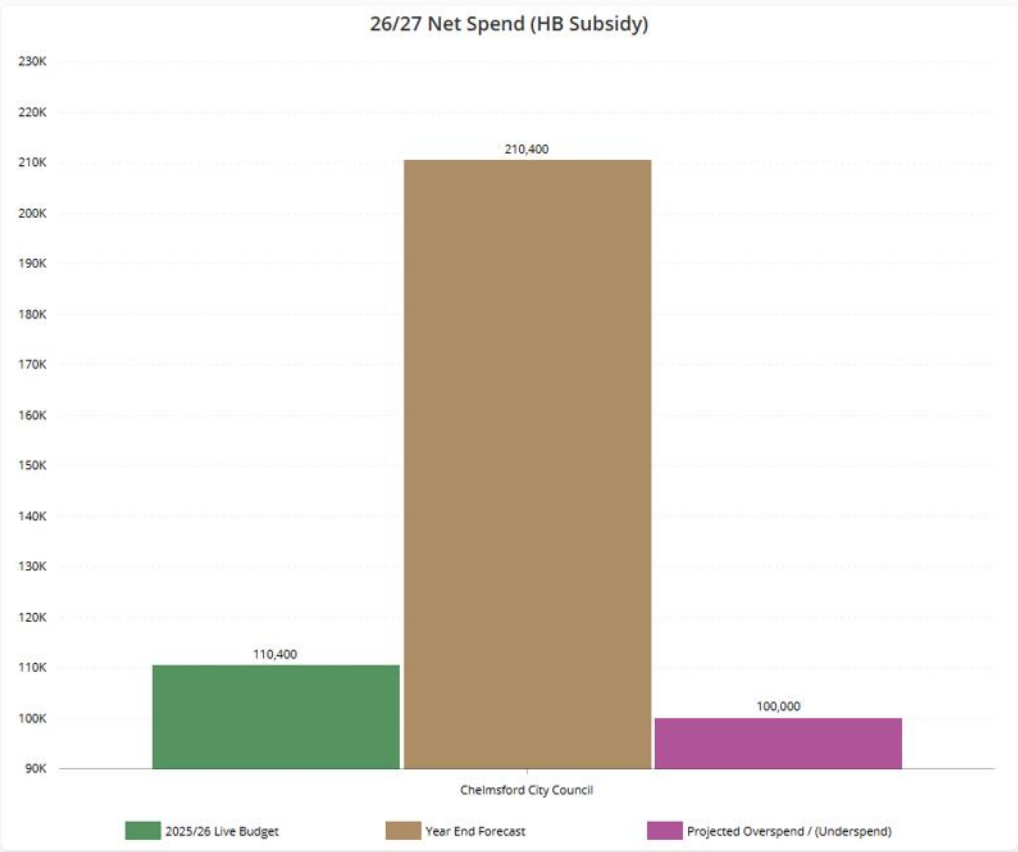
Income Key Variations, Actions and Risks

Variations	Actions	Risks
£225k estimated reduced grant income from Extended Producer Responsibilities compared to budget, offset by reserve use below	This is an assumption based on actuals received in 25/26 from Pack UK, with £225k being made up by DEFRA for that year only	Pack UK do not collect enough contributions from producers to fully pay this grant
£958k additional income from various grant schemes across the Council, **offset by additional spend above** (PHPS £279k, UKSPF £26k, Planning £322k, Housing £310k, £21k other)	Assess whether any grant income and expenditure is ongoing for future budgets	Grant income falls away but the associated expenditure is still required in future years
£728k additional income from 1 Springfield Lyons due to new tenant being in place	This is offset by reserves movements below	The lease is for 25 years on this property so limited risk
£104k lower than budget at the Cemetery and Crematorium due to increased competition	Budgets have been reviewed as for 26/27 Original Budgets, but further realignments may be necessary	Further competitors come to the market
£587k estimated additional income at the Theatre due to increased activity, offset by additional spend, for a **net additional income of £243k**	Budgets have been realigned based off of 24/25 outturn for 26/27, further adjustments will be made for 27/28	Larger shows are not programmed in for future years
£513k additional income from Temporary Accommodation, offset with increased spend, for a **net overspend of £720k**	Recruit to the Housing Initiatives Officer post to drive new and cheaper solutions for TA	The cost per case also increases and the caseload continues to rise above budgeted levels
£281k reduced income from two properties due to their sale, offset by increased interest income and reduced interest costs below	Continue to review the Council's property portfolio to maximise income and capital receipts	Capital receipts and their revenue impact do not offset the revenue income lost
£219k estimated additional income from other properties due to increased lettings of vacant suites and some new charges	Reflect in 27/28 budgets where appropriate	Property income is at risk of market movements in retail and office space
£95k estimated additional income from recycling sales and credits	This is predominantly down to additional cans income. Sales prices and tonnages will continue to be monitored	Sales prices or tonnages decrease
£38k additional net income from various other minor budgets	Review as part of the MTFS	Trends continue



Service Overspend/(Underspend) (Excluding HB Subsidy)

£1,768,900



Comments on HB Subsidy Variations

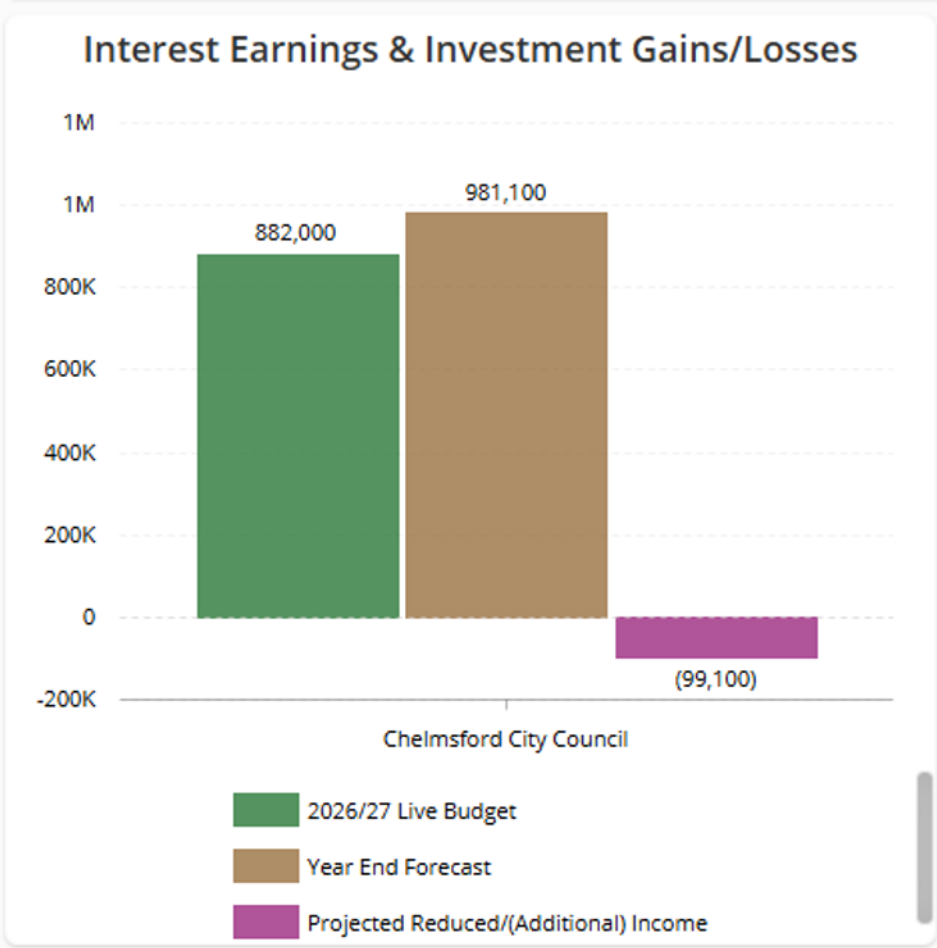
The net budget for HB subsidy (excluding TA Subsidy Loss) is a net cost of £110,400.

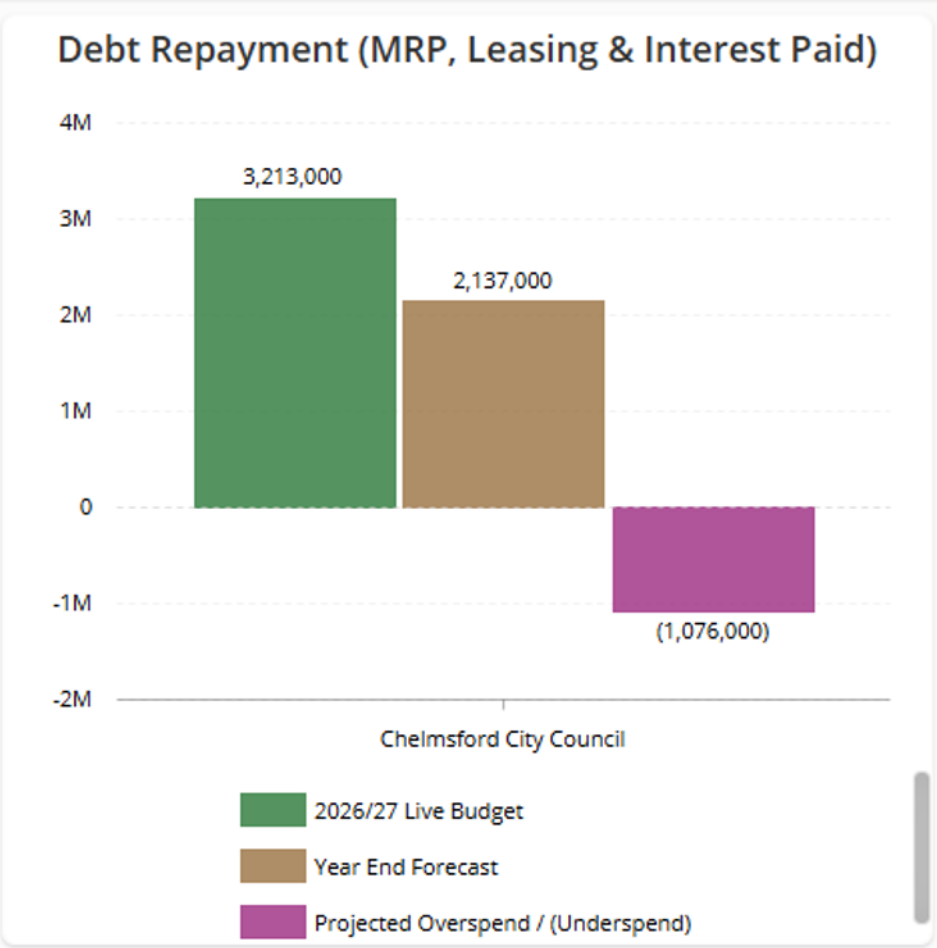
A net £100k overspend is projected for HB subsidy, predominantly due to irrecoverable housing benefit around supported housing schemes, with several providers not being Registered Providers (RP).

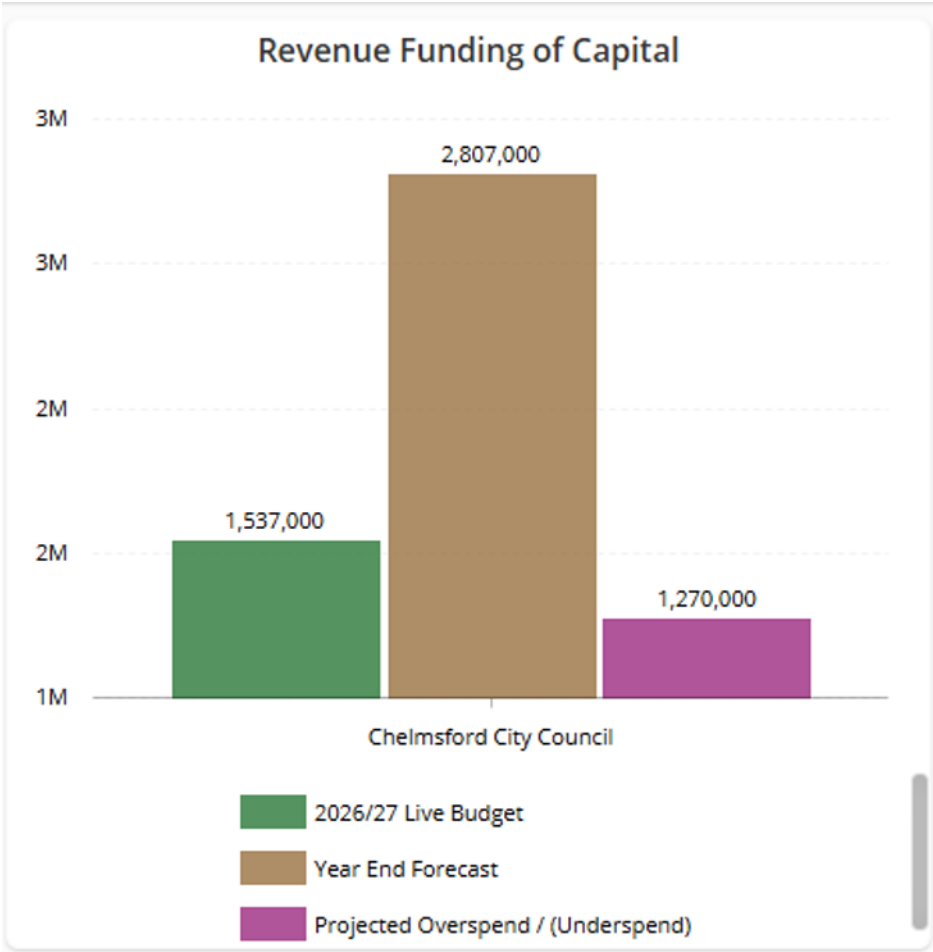
CHESS is in the process of becoming an RP which will reduce this cost in future years.

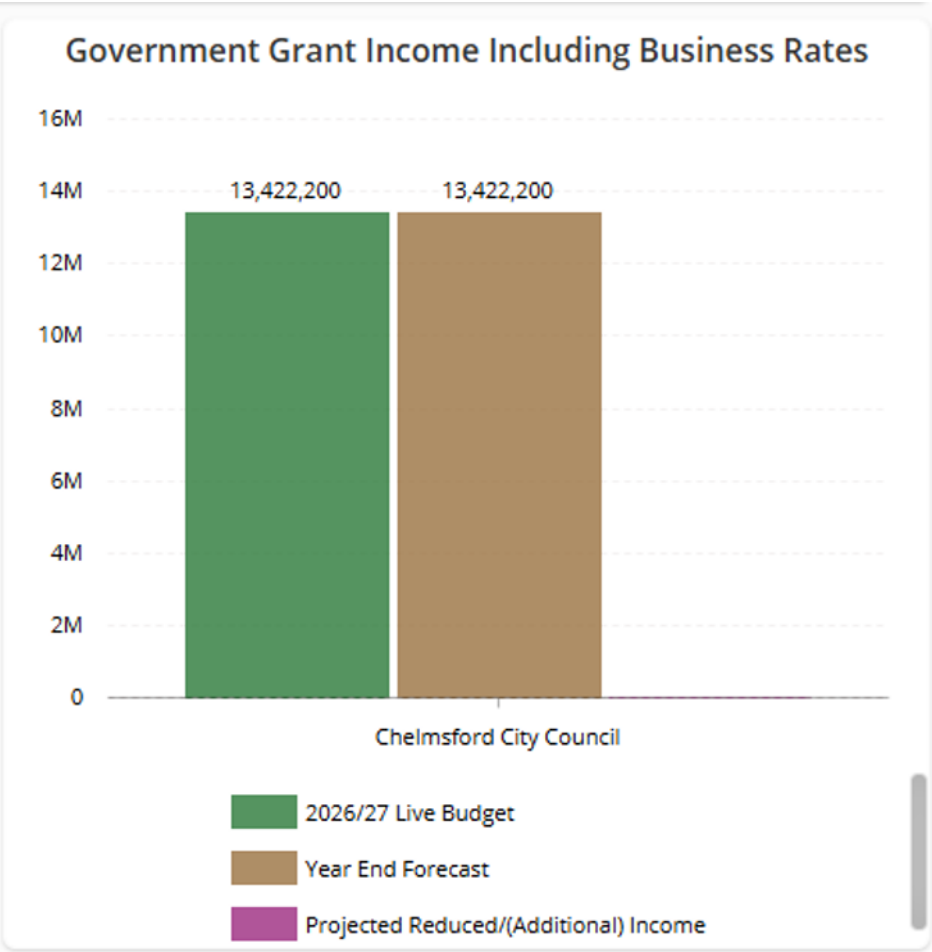
Service Overspend/(Underspend) Including HB Subsidy

£1,868,900

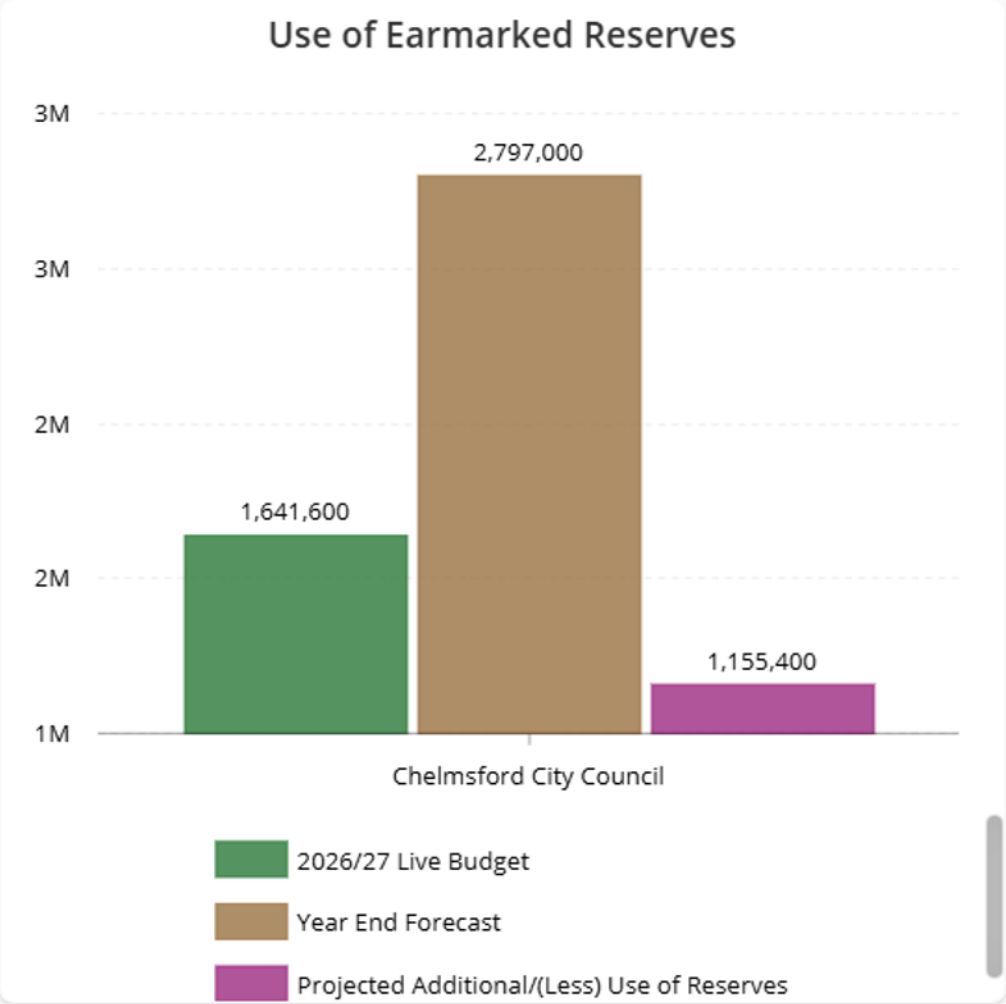

Interest Earnings & Investment Gains/Losses
1M
1M
800K
600K
400K
200K
0
-200K
882,000
981,100
(99,100)
Chelmsford City Council
2026/27 Live Budget
Year End Forecast
Projected Reduced/(Additional) Income


Debt Repayment (MRP, Leasing & Interest Paid)
4M
3M
2M
1M
0
-1M
-2M
3,213,000
2,137,000
(1,076,000)
Chelmsford City Council
2026/27 Live Budget
Year End Forecast
Projected Overspend / (Underspend)


Revenue Funding of Capital
3M
3M
2M
2M
1M
2,807,000
1,537,000
1,270,000
Chelmsford City Council
2026/27 Live Budget
Year End Forecast
Projected Overspend / (Underspend)


Government Grant Income Including Business Rates
16M
14M
12M
10M
8M
6M
4M
2M
0
13,422,200
13,422,200
Chelmsford City Council
2026/27 Live Budget
Year End Forecast
Projected Reduced/(Additional) Income

Variations	Actions	Risks
£194k estimated additional income from interest earnings due to higher cash balances than expected earlier in the year	Review how best to manage the Council's portfolio of investments and borrowing to maximise income and minimise cost to the Council	Spend increases, reducing cash balances and therefore interest earnings, whilst also increasing the likelihood of needing to borrow
£95k realised loss on the sale of two multi-asset funds, which is offset by reserve movements below.	Utilise the pooled asset fund reserve to offset this loss and release the reserve to other reserves or the General Fund	The asset funds are now fully sold
£1,076k underspent on Debt Repayment due to timing of expected borrowing not being as early as originally forecast and also at a lower level. Higher capital receipts were also received than forecast.	Review how best to manage the Council's portfolio of investments and borrowing to maximise income and minimise cost to the Council	Spend increases, reducing cash balances and therefore interest earnings, whilst also increasing the likelihood of needing to borrow
£1,270k overspent on revenue funding of capital	One-off change due to a higher balance available from prior year. This is offset by reserves movements below	
Grant income - no expected variation as income is guaranteed to 100% for 26/27 by the government, this includes business rate income	Guaranteed income so no action needed	Guaranteed income



Earmarked Reserves

The budget for use of earmarked reserves for 26/27 was set at £1,641,600, which was predominantly made up of reserve use to cover loss of rent from commercial properties, supplementary estimates and local plan spend.

The latest forecast is an increased use of reserves compared to the budget of £1,155,400 made up of the following variations,

£1,311k increased use of Chelmsford Development Reserve in relation to capital spend

£732k reduced use of property rent income reserve, due to new tenant in place for 1 Springfield Lyons

£124k increased use of the LGR reserve due to the government decision to withdraw decision in Essex

£95k increased use of the pooled fund losses reserve to offset the actual loss on the sale of the multi-asset funds

£225k increased use of the EPR reserve to cover the expected loss from this income stream against the budget

£115k increased use of the Local Plan reserve due to slippage of spend from 25/26

£17k increased use of other minor reserves

General Fund

The use of General Fund Reserve Original budget was set at £311,400 for 26/27.

The latest forecast is a use of £1,119,800, **£808,400 worse than the budget**.

The key variations that make up this amount are as follows:

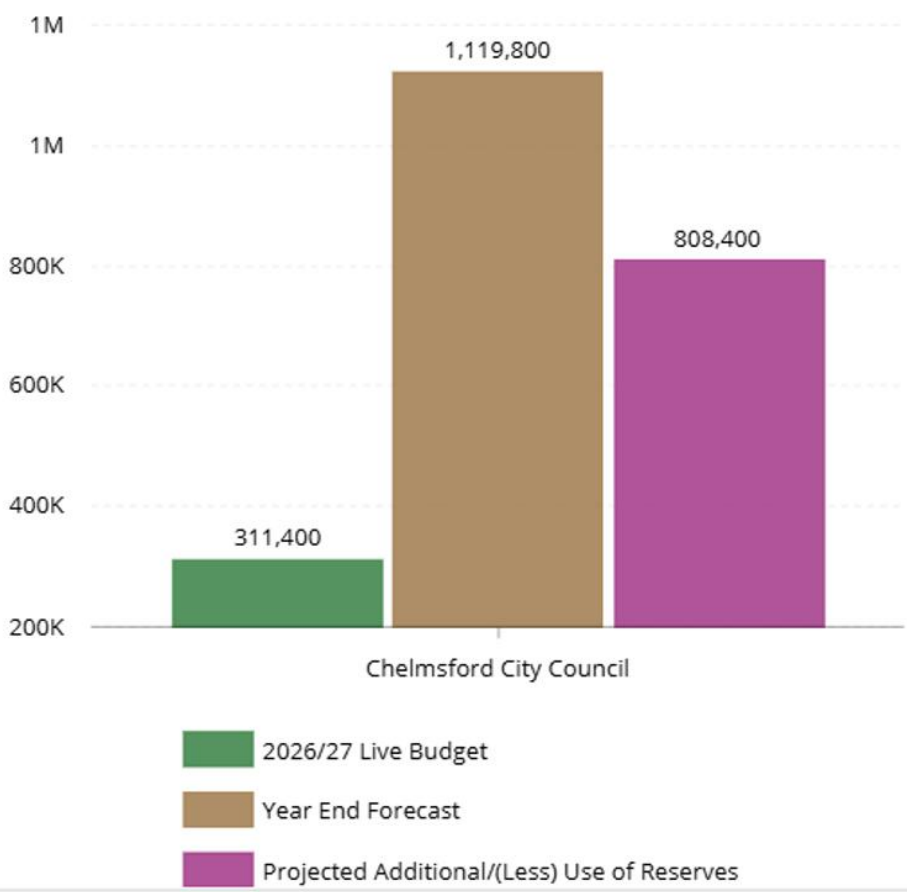
Favourable:

- £1,076k underspent on debt repayment due to timing of borrowing being later and at a lower level than budgeted
- £243k estimated net additional income from the Theatre

Adverse:

- £1,480k approved overspend on staffing and other expenditure to be funded from the General Fund (£1,356k) and LGR reserve (£124k)
- £720k estimated net overspend on TA due to increased caseload at the end of 25/26 and start of 26/27 compared to the budget
- £100k estimated overspend on HB subsidy, due to increased losses around supported housing schemes, with several providers not being Registered Providers

Use of General Fund (Unearmarked Reserves)



Supplementary Estimates Approved - 26/27

Description	Amount Requested	Estimated Ongoing Revenue Impact
High Chelmer Consultancy	£62,500	£0
Highlands Farm Response and Business Grants	£314,000	£0
Public Art	£50,000	£0
Urban Grants Top Up	£110,000	£0
Staircase Redecoration of High Chelmer Car Park	£70,000	£0
Staircase Redecoration of Meadows Retail Car Park	£41,000	£0
Recovery and Revenues Officers	£120,600	£0
HR Training Officer	£36,700	£0
Training Costs	£116,100	£0
Procurement Resource	£85,000	£0
AI in Customer Services	£29,500	£0
Thriving Places Public Health Officer	£33,000	£0
Legal Practice Manager	£119,100	£0
Website Consolidation	£21,300	£21,300
Economic Development Software	£27,000	£10,500
Community Protection Officers	£89,800	£89,800
Principal S106 Planning Officer	£71,900	£74,100
Planning Compliance Officer	£40,200	£40,200
Bulky Waste Additional Round	£40,000	£40,000
XL Print Software (Revs & Bens)	£19,600	£16,900
Natural Environment Officer	£44,900	£44,900
Housing Enabling Officer Increase of Hours	£12,900	£12,900
Sports Marketing Officers & One-Off Other Expenditure Increase	£70,500	£60,000
Climate Support Post	£30,000	£30,000
Total	**£1,655,600**	**£440,600**
Initial Allocation	£300,000	
-Overspend/+Underspend	-£1,355,600	
Total Additional Supplementaries Approved Ongoing		**£440,600**
£200k Additional Growth Provision		**-£200,000**
Total Ongoing Increase		**£240,600**

Supplementary Estimates Approved - 26/27 - LGR Reserve

Description	Amount Requested	Estimated Ongoing Revenue Impact
Comms Officers	£36,000	£0
HR Business Partner	£88,100	£0
Total Approved from LGR Reserve	**£124,100**	**£0**

1. Capital Programme

1.1 The budget and capital strategy reports taken to Council in February 2026 explain in depth the difference between capital and revenue. Broadly, capital can be defined as expenditure that relates to the acquisition or enhancement of assets which have a useful life of more than twelve months and are charged to the Council's balance sheet.

1.2 The Council will only undertake capital investment in support of its priorities and where it supports asset maintenance, invest-to-save schemes or strategic intent (such as the provision of affordable housing or Climate Emergency initiatives). Capital spending plans, whether funded from internal resources or through borrowing, must be affordable, prudent and sustainable.

1.3 This report updates the capital programme for changes identified by officers. There are no material changes that require prudential indicators to be updated in 2026/27. Updated borrowing forecasts are shown further below. These will be kept under review and approval requested in February 2027.

1.4 The Council's capital programme is shown on page 33 (in Table "Capital schemes") and on page 43 (in Table "Replacement Programme"). The changes can be summarised as:

Capital schemes

1.5 The current approved budget totals £112.707m; however, there is an expected net decrease in the programme of £0.128m. This comprises an increase of £0.161m requiring approval and a reduction of £0.289m where expenditure has been transferred to revenue. A detailed list of variations over £25k is shown on page 42.

1.6 Cabinet is asked to approve the additional net £0.161m expenditure.

1.7 There is a significant risk that costs will increase for the following schemes:

- Condition survey works heating at the museum, and roof and chiller works at Riverside.
- Chelmer Waterside Infrastructure: cost finalisation is being undertaken by contractors and there is a risk of higher spend on the GPRS element of the works.

1.8 Approval will be required for increased scheme costs once there is more certainty over the amounts. The financial forecasts of revenue financing costs will make allowance, on a best-estimate basis, for cost increases on these schemes.

The Replacement Programme

1.9 <u>This covers two years of expenditure:</u>

<u>2026/27 Budget</u>

The approved budget for the replacement programme in 2026/27 is £10.413m. Following service reviews, £2.089m needs to be rephased to later years and £0.013m is required to be rephased forward to 2026/27 from 2027/28.

There is also a reduction in budget of £0.052m due to changes in net cost of replacements that is made up of price increase variations of £0.025m, price decreases of £0.037m and reduced demand of £0.04m. After allowing for the rephasing of budgets and net reduction, the amended budget for 2026/27 is £8.285m.

<u>2027/28 Budget</u>

The approved budget for 2027/28 is £5.966m.

The service review has resulted in £1.976m being rephased into 2027/28 where £2.046m has been transferred from 2026/27 and £0.07m has been rephased to later years. In addition to the rephasing

of budgets there are changes to the net cost of replacements of £0.207m consisting of £0.225m of prices increases and reduced demand of £0.018m Following these adjustments, the revised budget for 2027/28 is £8.149m.

The net increase in cost variations between the two years that require approval is £0.25m. The budget proposals for 2027/28 will include any necessary revisions to the existing programme and any new schemes needed to deliver corporate plans.

2. Financing the Capital Programme and Implications for the Revenue Budget

2.1 The capital programme is different from revenue budgets in that borrowing and asset sales may be used to fund expenditure. The resources used to finance the Council's capital programme are always estimated as part of the budget process but only finalised under delegation at financial year-end. The s151 Officer will determine the optimal mix of resources at the end of the financial year. The actual methods of financing can differ from the estimates depending on the life of assets being financed, resources available, and the relative costs of each resource.

The impact on the Council's revenue budget due to undertaking capital investment is via:

- Additional running costs, income, or savings resulting from the acquisition of equipment or on completion of a capital project.
- Financing capital schemes
  A) Direct Revenue Financing of capital schemes. An expenditure line in the Council's Revenue budget which in effect funds capital expenditure instead of, say, borrowing.
  B) Borrowing costs. Interest and principal repayments (Minimum Revenue Provision (MRP)) are a revenue cost.
  C) Feasibility or design works on schemes that do not lead to an asset are revenue costs. Any such costs may initially have been funded from capital, capital grants or borrowing, but will need to be charged to revenue resources. This is a requirement under government accounting practice. Although necessary to ascertain viability of some larger schemes, this will have a detrimental impact on revenue reserves so needs to be minimised. Feasibility expenditure is often essential to determine if a scheme is affordable and the best option.

2.2 The Council does not have sufficient capital resources available to fund its capital programme so requires the use of borrowing. Borrowing does not necessarily lead to taking out external loans as the Council can and does borrow internal cash such as the general fund balance or unspent CIL (community infrastructure levy, a charge on developers). As internal resources are used to fund capital, and the forecast does not include any material new capital receipts, there is a move towards higher external borrowing. The latest projections of the Council internal and external borrowing are shown below:

Existing Schemes and Replacements-Internal and External Borrowing Combined	2025/26 £ms	2026/27 £ms	2027/28 £ms	2028/29 £ms	2029/30 £ms	2030/31 £ms	2031/32 £ms
Opening Cumulative Borrowing Exc. PSLs	**41.160**	**42.128**	**55.326**	**76.569**	**85.403**	**84.633**	**84.097**
New Annual Borrowing Approved Schemes	2.400	14.546	23.078	11.649	2.797	3.352	1.502
Less MRP Repaid	-1.432	-1.348	-1.835	-2.815	-3.567	-3.888	-4.376
Cumulative Borrowing Existing Schemes Exc. PSLs	**42.128**	**55.326**	**76.569**	**85.403**	**84.633**	**84.097**	**81.223**

2.3 The borrowing forecasts for 2026/27 and 2027/28 differ from those made in February Council report. However, over the period the borrowing forecasts have not materially changed (cumulative borrowing is higher by £1.2m by 2030/31) as it is mainly due to the rephasing of spend. The level of

borrowing is not the key financial metric; it is the cost of financing debt and whether it is affordable for the Council.

2.4 Changes in regulations, implemented with effect from 1st April 2024, required us to restate the overall debt position to fully reflect leases the Council had already undertaken becoming categorised as borrowing. The change in real terms has no impact on the Council's liabilities but merely changes how they are accounted for. Consequently, Private Sector Leased (PSL) properties used as temporary accommodation are, under the new regulations, technically classified as borrowing. The Section 151 officer believes their inclusion in management information would overstate the Council's borrowing position, so are excluded in the above table. Private sector leases are short-term, and the Council can end them at short notice. The memorandum table below shows the value of debt that has been taken onto the balance sheet for PSL agreements. These costs are included within the service budget to provide a complete view of the total cost of temporary accommodation provision.

Memorandum Table PSL Leases cost shown in Service budget	**2025/26 £ms**	**2026/27 £ms**	**2027/28 £ms**	**2028/29 £ms**	**2029/30 £ms**	**2030/31 £ms**	**2031/32 £ms**
From Table Above	**42.128**	**55.326**	**76.569**	**85.403**	**84.633**	**84.097**	**81.223**
PSL leases bought forward	**4.288**						
PSL Leases	0.263						
Less MRP Repaid	-0.796	-0.873	-0.915	-0.960	-1.007	0.000	0.000
Cumulative Borrowing (Capital Financing Requirement)	3.755	2.882	1.967	1.007	0.000	0.000	0.000
Total Cumulative Borrowing (Capital Financing Requirement)	**45.883**	**58.208**	**78.536**	**86.410**	**84.633**	**84.097**	**81.223**

Financing costs

Minimum Revenue Provision (MRP) charged to revenue budgets, which is effectively money used to repay debts.

The Gross MRP repayments of internal and external borrowing are forecast to be (before savings from new schemes):

Breakdown MRP Repaid - short term and long term Excludes	**2025/26 £ms**	**2026/27 £ms**	**2027/28 £ms**	**2028/29 £ms**	**2029/30 £ms**	**2030/31 £ms**	**2031/32 £ms**
Capital Schemes Approved	0.615	0.646	0.820	1.253	1.382	1.490	1.592
Capital Schemes MRP	**0.615**	**0.646**	**0.820**	**1.253**	**1.382**	**1.490**	**1.592**
Capital Replacements life less than 10 years	0.014	0.015	0.544	1.176	1.796	2.068	2.485
Capital Replacements Finance Leases	0.803	0.687	0.471	0.386	0.389	0.330	0.299
Capital Replacements MRP	**0.817**	**0.702**	**1.015**	**1.562**	**2.185**	**2.398**	**2.784**
Total MRP Repaid in Year	**1.432**	**1.348**	**1.835**	**2.815**	**3.567**	**3.888**	**4.376**

The table above splits the MRP into:

- That required to fund replacement equipment and vehicles. Effectively this cost is payable just to keep the Council functioning at its current level.
- The revenue financing cost of borrowing for longer-life assets, including land and buildings.

2.5 The useful life of the asset determines how quickly we need to repay the debt (via MRP charged to revenue budgets). Most replacement assets such as vehicles and plant tend to have a shorter life than larger assets such as buildings and land. Consequently, the MRP charged to revenue for assets in the replacement programme is significantly higher (per pound borrowed) than the debt repayment charge for one-off schemes.

2.6 The net cost, after allowing for income gains, interest income and expenditure, of financing the capital programme is:

Budgeted Net Revenue Costs Changes - financing costs of Capital Programme	2025/26 £ms	2026/27 £ms	2027/28 £ms	2028/29 £ms	2029/30 £ms	2030/31 £ms	2031/32 £ms
Estimate Gross interest income	**-1.199**	**-0.800**	**-0.556**	**-0.505**	**-0.690**	**-0.560**	**-0.584**
Interest Paid							
Estimate interest costs all borrowing Excluding PSL	0.271	1.545	2.175	2.842	2.853	2.359	2.133
Other funds held interest	0.157	0.068	0.069	0.067	0.059	0.059	0.059
Income gain from existing schemes - removed Self-financing schemes		-0.046	-0.578	-0.555	-0.541	-0.526	-0.510
Sub-total interest paid	**0.428**	**1.567**	**1.666**	**2.354**	**2.371**	**1.892**	**1.682**
MRP							
Estimated Existing MRP schemes and leases	1.432	1.646	1.835	2.815	3.567	3.888	4.376
Income gain/saving from existing schemes MRP (self financing not in service budget)		-0.003	-0.106	-0.317	-0.338	-0.357	-0.377
Total MRP	**1.432**	**1.643**	**1.729**	**2.498**	**3.229**	**3.531**	**3.999**
Cost of financing capital programme excl PSLs	**1.860**	**3.210**	**3.395**	**4.852**	**5.600**	**5.423**	**5.681**
Net financing costs excluding new schemes	**0.661**	**2.410**	**2.839**	**4.347**	**4.910**	**4.863**	**5.097**
Change Year on year	**1.059**	**1.749**	**0.429**	**1.508**	**0.563**	**-0.047**	**0.234**

2.7 The net financing costs forecast for the period are increasing year on year as there is a need to borrow externally to finance the capital expenditure and the Council has limited cash balances to invest. The cost for 2027/28 is £392k lower and for 2028/29 £145k higher than the February 2026 budget report.

2.8 As mentioned above, a key funding resource is CIL. The projected receipts and use are shown below. The timing of payments and amounts of CIL contributions are dependent upon housing developments. While it is not expected that the total CIL in the period will change, the start date of developments could impact when contributions are received. There is still uncertainty in the housing market which may lead to delays in contributions being collected. Reductions in CIL income will increase borrowing projections and revenue costs, as noted in paragraph 1.7 above.

2.9 Of the CIL collected, 100% of the strategic CIL contributions due to be collected for South Woodham Ferrers and the Chelmsford Garden Community developments will be ringfenced for use in those areas.

Strategic CIL Table	2025/26 £ms	2026/27 £ms	2027/28 £ms	2028/29 £ms	2029/30 £ms	2030/31 £ms	2031/32 £ms
Balance 31/3							
Forecast CIL receipts to be received	-2.472	-0.418	-4.086	-8.446	-11.317	-14.182	-6.627
Ringfenced Income not available to use		0.000	1.801	4.072	5.663	7.705	1.331
CIL receipts committed to Capital Schemes	6.657	6.385	0.000	0.162	0.000	0.000	0.000
Cumulative un-ringfenced CIL	**-7.487**	**-1.520**	**-3.805**	**-8.017**	**-13.671**	**-20.148**	**-25.444**

Change in CIL Forecast	2025/26 £ms	2026/27 £ms	2027/28 £ms	2028/29 £ms	2029/30 £ms	2030/31 £ms	2031/32 £ms
Current	-2.5	-0.4	-4.1	-8.4	-11.3	-14.2	-6.6
Previous (Estimate Budget Report)	-1.8	-2.1	-5.6	-10.7	-9.7	-17.3	-17.3
+lower expected CIL in year/-higher expected CIL in year	**-0.7**	**1.7**	**1.5**	**2.3**	**-1.6**	3.1	10.7
+Cumulative lower expected/- higher expected CIL receipt	-0.7	1.0	2.5	4.7	3.1	6.2	16.9

The Affordability of Capital Expenditure

2.10 Within the context that the Council always has forecast budget shortfalls, it could be said any capital expenditure that increases the revenue financing costs could be deemed to be unaffordable. However, capital expenditure is a form of service delivery and is required to maintain existing service provision; equipment must be bought to maintain, say, collection of domestic waste, and refurbishment of buildings is necessary to ensure they remain fit to deliver services from. The budget process for 2027/28 will again need to make that wider assessment of the need for capital expenditure versus its cost to the revenue budget. The forecast includes the net financing cost for the current capital expenditure budgets.

2.11 Lower than forecast CIL income will mean increased external borrowing. The projections of CIL are a key element in determining the extent of the Capital Programme affordability.

Conclusion

Financing the cost of the capital expenditure is necessary to deliver Our Chelmsford, Our Plan and to continue existing service delivery. Changes to reduce the cost of the approved programme may be possible but must be judged within the context of how they impact current and future service delivery plans.

Should CIL forecasts change, there will be a need to fund more external borrowing, which will most likely result in higher finance costs and increased forecast budget gaps.

The programme and resourcing will be re-assessed during the autumn as part of the budget and reported back to Cabinet in January.

		CAPITAL SCHEMES	VARIATION IN TOTAL CAPITAL SCHEME COSTS						
			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
		Cleaner Chelmsford							
		Retail Market							
	1	Retail Market Traders' Conveniences Remodelling	102		102		**102**	**Agreed to defer to 2027/28**	*Previously reported - Approved Council February 2023. Scheduled for 2023/24. October 2023 reviewed and deferred to 2026/27.* Update - Deferred to 2027/28.
	2	Retail Market Canopy Roof Liquid System	90		90		**90**	**Deferred to 2026/27**	*Previously reported - Approved by Council February 2024. Works scheduled for 2025/26. MT review October 2024 deferred scheme to 2026/27.*
		Waste Management and Recycling							
74	3	Freighter House Depot Resurfacing Works	216		216		**216**	**No**	*Previously reported - Approved at Council February 2023. Five year programme commenced 2024/25.*
		Connected Chelmsford							
	4	Civic Offices Accommodation		570	570		**570**	**New - Yes**	Approved Cabinet April 2026 £282k additional budget and £288k taken from unused budget from completed scheme.
	5	Coval Lane - Expansion Arts Facility		100	100		**100**	**Yes**	Approved Cabinet April 2026.
295	6	Green Initiatives Phase 1	500	-182	318	**-23**	**295**	**Completed**	*Previously reported - Approved by Council February 2022. Two year programme with delegated authority to the Director of Public Places to spend within the approved budgets. Following consultation with the Cabinet Member for Safer and Greener Chelmsford, they will decide on the preferred schemes. £102k vired towards cost of electric vehicle - approved February 2023. October 2023 £43k vired to fund additional cost of electric sweepers. 2023/24 £37k budget transferred to revenue in relation to spend not capital. Majority of spend on LED lighting upgrades.* *Update - remaining balance transferred to phase 2 budget.*
148	7	Green Initiatives Fund Phase 2	6,500	-3,100	3,400	**23**	**3,423**	**Business Cases to be Developed**	*Previously reported - Approved in principal Council Feb 2023 with delegated authority is given to the Director of Public Places, who after consultation with the Cabinet Member for Safer Chelmsford, will agree on the 6 year programme commencing 2024/25 for various schemes which will help the organisation achieve its objective of being Net Zero Carbon by 2030 and to ensure the spend is within the approved budgets. October 2023 Programme reviewed for affordability, budget reduced. Spend on LED lighting upgrades and SWF Pool heating initiatives.* Update - £630k from this budget is being used for funding installation of solar panels in 2026/27 and 2027/28.

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
		Building Services							
408	8	Various Condition Survey Works Phase 1	809	3,851	4,660	-15	4,645	Scheduled over 2 years - No	*Previously reported - A provision was established and approved at February Council for a sum of £4.7m identified from Building Services 5 yearly schedule of condition surveys for works to various buildings. A delegation was put in place.* Update - Majority of original planned works will be completed by the end of 2026/27. The proposed museum and Riverside works will not be completed until 2027/28.
	9	Various Condition Survey Works Phase 2	769	2,323	3,092	15	3,107	Scheduled over 5 years	Additional Provision Approved Council February 2026.
		Cultural and Leisure							
		Cultural Services							
3,185	10	Theatres' Modernisation	1,000	2,198	3,198		3,198	Main works complete - final account agreed, identified list of outstanding work items complete	*Previously reported -Approved at Council February 2021. Delegated authority to Director and Cabinet Member for Connected Chelmsford for a £1m budget. An additional £500k was approved November 2021. A further £1.246m was approved by Council in March 2022 following the return of tenders for the works. £500k approved Cabinet October 2022. £20k transferred to revenue as spend did not qualify for capital, budget reduced 2023/24.* Update May 2026 - All items identified on the original snagging list and additional works have been completed.
	11	Oaklands Museum Staff Room and Kitchen Refit	24		24		24	Yes	*Previously reported - Approved by Council February 2023 and scheduled for 2024/25. October 2023 following review rephased to 2026/27*
	12	Oaklands Museum Roof Works	63		63		63	No	*Previously reported - Approved at Council February 2024. Works scheduled for 2025/26. Update - works scheduled for 2026/27.*
180	13	Great Baddow Hoard Gold Coins	180		180		180	Complete	*Heritage Lottery Fund Grant*
	14	Great Baddow Hoard Gold Coins Display Case	22		22		22	Yes	*Heritage Lottery Fund Grant*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
		Leisure Services							
2,007	**15**	Dovedales Sports Centre Refurbishment	1,464	670	2,134		**2,134**	**Completed. Post contract monitoring to be completed.**	*Previously reported - Budget approved Council March 2022. Delegated authority to the Director of Public Places to decide on the preferred scheme and spend within the approved budgets following consultation with the Cabinet Member for Safer and Greener Chelmsford. October 2023 scheme deferred to 2025/26 although work will progress on design. Scheme approved by Urgency November 2024 additional £710k - £644 works and £66k on equipment (see replacement schedule).* Update - scheme completed, final account agreed and monitoring of works still to be undertaken in 2026/27. Likely that there will be a small saving on the final reported budget.
0	**16**	South Woodham Ferrers Gym Proposal	0	76	76		**76**	**New**	*Approved July 2026 Cabinet.*
		Economy and Sustainable Transport							
44	**17**	Public Realm Wayfinding Signs Phase 3	150	5	155		**155**	**No**	*Previously reported - Approved Council February 2021. Funding from ECC. 3 year programme ending 2022/23. Still waiting for ECC confirmation that grant will be provided.* Update - grant received from ECC.
647	**18**	Chelmsford Flood Resilience Programme	4,833	0	4,833		**4,833**	**Business case to be developed with EA**	*Previously reported - This is the unspent budget from the withdrawn Environment Agency (EA). A new programme of works will be brought back to Cabinet at a later date. Agreement for S106 grants to be paid over to the EA £647k paid over to date.*
5,034	**19**	Public Realm Tindal Square Design and Construction	160	4,874	5,034		**5,034**	**Completed - final account for works agreed**	*Previously reported - Final account still to be paid*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
36,704	**20**	Chelmer Waterside Infrastructure - Bow Bridge and Road, Remediation of Land and GPRS Relocation.	15,500	27,810	43,310	**-135**	**43,175**	**Bridge Completed GPRS Works ongoing**	*Previously reported - £15.5m approved at Council February 2020 with a delegation to Cabinet to approve final scheme. Council December 2020 approved an additional £11m budget to be funded by £5.05m CIL, £1.1m S106 and £2.85m additional HIF grant. £2m provision for commuted sum could also be funded by CIL if available otherwise it would result in additional borrowing. £375k approved July 2022 Council for increased design fees and appointment of Project Manager. As noted on previous reports to Cabinet and Council, the cost of scheme is expected to increase significantly above the approved budget. A £9m increase was previously discussed and officers believe it may be materially higher when a report is made Council in July for a decision as to how to progress the works. An additional £16.410m was approved by Council in July 2023. The bridge is complete and the remaining works for the GPRS are ongoing. Update - GPRS works are now complete and final costs are being reviewed with the contractor. There is a risk that the cost of the GPRS works will increase.*
55	**21**	Automatic Floodgates and Provision of Locks - Feasibility		55	55	**-55**	**0**	**Feasibility complete**	*Previously reported - Budget approved September 2020 Cabinet. Feasibility completed and remaining budget vired from Rivers and Waterways Improvements. Update - No scheme proposal has been brought forward, feasibility spend to be transferred to revenue.*
14	**22**	High Chelmer Car Park Lifts	355	71	426		**426**	**No**	*Previously reported - Approved by Council February 2023. Scheduled for 2025/26.*
2	**23**	S106 City Centre Public Art	62	50	112		**112**	**Unknown**	*Approved use of S106 via delegation September 2025. Update - additional £50k budget approved Council February 2026 to be funded from CIL.*
		Voluntary and Community Sector Support							
99	**24**	Rural England Prosperity Fund- Supporting Businesses and Communities Grant		114	114		**114**	**2025/26 Third party grant applications**	*Previously reported - October 2025 New funding has been provided for 2025/26.*
38	**25**	UK Shared Prosperity Fund - Various Grant Funded Schemes		71	71		**71**	**2025/26 Third party grant applications**	*Previously reported- New funding has been provided for 2025/26.*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proosed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
	26	CIL Blessed Sacrament Church, Melbourne		10	10		**10**	**NEW**	CIL panel approved scheme funding towards accessible toilets
55	**27**	CIL Green Initiatives - Various Schemes	15	50	65	**21**	**86**	**No - dependent on Third party**	*Previously reported - £100k CIL funding approved December 2021 for green initiatives grant funding. Spend approved Council February 2022. £100k pot is drawn down following approval of applications for funding.* Update - scheme paid from revenue in prior year capital budget not required £8k and £21k for 3 new grants approved by CIL panel April 2026. *Balance available £14k.*
		Fairer Chelmsford							
		Housing Services							
	28	Supported Housing/Temporary Housing Provision		7,650	7,650		**7,650**	**No schemes identified**	*December 2025 Budget approved under urgency November 2025 to purchase block of flats for supported housing. Proposed purchase now not progressing. Update -* New budget approved Council February 2026. Business cases to be submitted.
84	**29**	Housing Initiatives - Modular Units Groundworks	250	-10	240		**240**	**Yes**	*Previously reported - Use of housing initiatives pot. £250k Brownfield Land release Funding secured . December 2025 New scheme included on new schemes schedule for proposed modular unit scheme at Meteor Way Car Park site. This budget will be used towards the cost of the scheme. Update - £10k spend in relation to original lease proposal transferred to revenue and budget adjusted. Scheme being revised and reviewed.*
	30	Housing Initiatives - Modular Units	4,244		4,244		**4,244**	**Scheme Proposal Being Reviewed**	Approved Council February 2026, subject to further business case. Also see scheme 29.
31	**31**	Housing Initiatives - Sandford Mill House Refurbishment for use as TA	165		165		**165**	**Completed**	*Previously reported - Use of housing initiatives*
21	**32**	Purchase Medway Garages	17		17	**9**	**26**	**No - Dependent on Third party**	*Previously reported - Use of housing initiatives pot*
	33	Housing Initiatives - Grant to YMCA	1,000		1,000		**1,000**	**No - Dependent on Third party**	*Previously reported - Use of housing initiatives pot*
160	**34**	Initiatives to increase the provision of Affordable Housing Funded by S106 - Grants	320		320		**320**	**Completed**	*This budget is for a grant to CHP for a development at Pyms Road Galleywood.*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
	35	Initiatives to increase the provision of Affordable Housing Funded by S106 - Grant to CHP for development Lower Anchor Street	600		600		600	No - Dependent on Third party	*Previously reported - Approved Cabinet April 2025 to enable development of 15 units for affordable rent.* Update - Unforeseen issues with site. Scheme proposal and options need to be discussed with Delta Housing.
	36	Local Authority Housing Fund Round 4	4,568		4,568		4,568	NEW - Dependent on Grant Conditions	LAHF4 Grant awarded and MOU in place with Delta Housing for acquisition of properties in 2027/28 and 2028/29.
		Corporate Property							
369	37	Land Development Site Investigations - Waterside	365	21	386	50	436	Under review	*Previously reported - Approved Cabinet November 2021. Additional £50k approved by Council February 2024. £90k transferred to revenue 2024/25 1st Marketing exercise. Further marketing exercise has been undertaken.*
37	38	Riverside Outdoor Pool Site New Car Park Proposal	26		26	35	61	Delivery times not yet agreed	Budget approved Council February 2026. Report will be submitted once investigations completed for design, costs and planning.
	39	Cost of Property Asset Disposals				46	46	New - dependent on timing of asset disposals	Cost of asset disposals to be funded by capital proceeds within 4% threshold
4,852	40	Enabling Lockside Growth Area	450	5,706	6,156		6,156	In Negotiations - Late delivery	*Previously reported - A Report taken to Cabinet in March 2018 requesting £4.5m and recommended to go on for Council approval. As there was a requirement to spend the budget earlier than the Council approval in July 2018 a sum of £450k was approved via an urgency. The remaining budget for the scheme was approved by Council in July 2018. An additional £500k was approved November 2021. Additional £956k approved July Council 2022. October 2023 delay in purchase of properties now delayed until 2024/25. Acquisition of remaining 2 properties delayed to 2025/26 and potentially later into 2026/27 Update December 2025 - one further property purchase complete and the remaining property will need to be acquired through CPO and is unlikely to complete until 2027/28.*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
196	41	Land Acquisition Cemetery/Crematorium	1,800	1,600	3,400		**3,400**	**To identify potential Land Site**	*Previously reported - Approved at Council February 2019. Additional £1.8m approved Council February 2020. Additional £2.4m approved July 2022 Council. October 2023 Potential site identified, surveys for suitability being undertaken, budget adjusted for estimated cost of land Council February 2024 . Update - An additional £0.2m approved July 2026 Cabinet increase as agreed in contract.*
217	42	Refurbishment of Commercially Leased Properties - 1 Springfield Lyons	720	1,596	2,316	**-99**	**2,217**	**No**	*Previously reported - Approved at Council February 2024. Delegation to Cabinet to approve a business case following feasibility and to spend within the approved budget. Works required to enable reletting of property. A new approval will be required by Council following tender exercise. Additional £950k budget approved April 2025.* Update - tenant to undertake works partially funded by contribution £2m. Building now let on 25 year lease.
39	43	Acquisition Granary Car Park	4,035		4,035		**4,035**	**Completed**	*£4.035m Budget approved by Urgency November 2025.*
	44	Acquisition Princes Road Allotment Site	64		64		**64**	**Dependent on third party**	Approved Council February 2026. To be funded from Neighbourhood CIL.
	45	Acquisition Lake Central Park	133	-6	127		**127**	**Completed**	Approved Council February 2026. To be funded from Neighbourhood CIL.
		Greener Chelmsford							
		Parks and Green Spaces							
179	46	Cemetery and Crematorium Infrastructure - proposed new facility	6,800	-5,886	914		**914**	**Spend to get scheme to planning approval**	*Previously reported - Approved Council February 2020 with a delegation for Cabinet to approve a final scheme. MT review October 2024 - decision to remove scheme to Unfunded Priorities List as uncertainty with scheme and scheme costs.* Update - additional £199k approved supplementary estimate March 2026 to continue design works. Additional £415K approved at July Cabinet.
14	47	Beaulieu Pavilion Health and Safety Works	33		33		**33**	**No**	*Previously reported - Approved by Council Feb. 2022. Delegated authority to the director to spend within the approved budget.*

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
	48	Rivers and Waterways Improvements	600	-55	545		**545**	**No - Scheme to be developed**	*Previously reported - Approved at Council February 2020 with a delegation to the Director and Cabinet Member for Greener and Safer Chelmsford. Originally programmed over 3 years commencing 2021/22. Start of three year programme deferred to 2024/25. MT Review October 2024 deferred scheme to 2027/28. £52k vired from underspend on Lockgates Feasibility scheme number 21 .*
	49	Rivers and Waterways Improvements and Art Project	36		36		**36**	**Yes**	Approved February Council 2026. Scheme estimated to be fully funded S106 and CIL.
674	**50**	Mass Tree planting and Woodland Creation	4,400	-2,702	1,698		**1,698**	**Reviewed Annually**	*Previously reported - Approved at Council February 2020 £4.4m with delegated authority to Director of Public Places, S151 Officer and the relevant Cabinet Members. Funding to be sought circa £2m. Three year programme scheduled wef 2021/22. Spend will now occur over longer period to 2029/30. Budget reduced £2.6m reduction reported to Council February 2024. Spend in relation to revenue transferred and budgets reduced annually. £23k transferred to revenue in 2024/25. Forecast spend increased by £100k over remaining years.* Update - £12k transferred to revenue in 2025/26 budget reduced.
	51	S106 Beaulieu Park Sport Pitches Top up	800		800		**800**	**Dependent on third party**	*Previously reported - Approved February 2025 Council*
	52	Safer Spaces for Girls 4 Sites - Savernake, John Shennan, Lionmede and Melbourne	120		120		**120**	**Yes - 2 year programme**	Approved February Council 2026. Scheme estimated to be fully funded S106 and CIL.
	53	Melbourne Park Conversion of Toilet Block to Operational Asset	128		128		**128**	**Yes**	Approved February Council 2026. Scheme estimated to be fully funded S106 and CIL.
19	**54**	Central Park Chess Garden	35		35		**35**	**Yes**	Approved February Council 2026. Scheme estimated to be fully funded S106 and CIL.
	55	Restoration Works Central Park Bridge	126		126		**126**	**Yes**	Approved February Council 2026. Scheme estimated to be fully funded S106 and CIL.

			Latest Approved Budget - Approved February 2026 and Additional New Schemes Approved Since that Date			Latest Forecast Budget			
Net Spend to 31/03/2026			Original Approved Scheme Budget	Additional/Reduced (-) Approved Budget	Latest Approved Budget	More/(Less) Than Approved Budget	Proposed Budget	Scheme Scheduled to Complete on Time against Original Programme	Additional Budget Approval Narrative
£000s		SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s		
		Public Health and Wellbeing							
	56	Market Road Conveniences Accessibil	20		20		**20**	**No**	*Previously reported - Approved by Council February 2023. Originally Scheduled for 2023/24. Funded from CIL.*
114	**57**	Public Convenience Refurbishment - Admirals and Central Park	168	50	218		**218**	**No**	*Previously reported - Approved by Council February 2023 £84k each site. Two year programme scheduled to commence 2023/24. Central Park completed £114k. Remaining budget for Admirals Park £54k. Virement from completed scheme Retail Market Refurbishment £50k. Update -works scheduled for Nov/Dec 2026.*
		Planning and Place-Shaping							
283	**58**	Garden Communities Infrastructure Fund	290		290		**290**	**Main Works complete**	*Previously reported - Various schemes will be grant funded*
56,278		**Grand Total**	**65,127**	**47,580**	**112,707**	**-128**	**112,579**		
					Net Variation	**-128**			

Summary of Changes Since Previous Council Report Feb. 2026

	£000's
Latest Approved Budget February 2026	143,802
New Schemes	4,936
Supplementary Estimates Existing Schemes	864
Variances reported Audit Committee June 2026	-101
Completed schemes removed	-36,794
Total Approved Budget	**112,707**
Unreported variations	
Increased Budgets Require Approval	140
Increased Budgets Funded to be noted	21
Decreased budgets transferred to revenue	-289
Total Unreported Variations	**-128**
Latest Forecast Budget August 2026	**112,579**

	Reasons for Variations Greater Than £25,000						
	Capital Scheme Variations in Excess of £25k						
	Scheme Description	**Latest Approved Budget**	**Estimated Budget Required**	**Variation**	**Variation Type**	**Percentage Change**	**Reason**
		£000's	**£000's**	**£000's**			
20	Chelmer Waterside Infrastructure - Bridge	43,310	43,175	-135	Transfer to revenue	N/A	Additional revenue grant received from Homes England and capital spend for project management transferred to revenue. The overall cost of the project has not changed it is just a reallocation of the spend.
21	Automatic Floodgates and provision of locks	55	0	-55	Transfer to revenue	N/A	Feasibility completed in 2022 and as no scheme has come forward will need to transfer spend in work in progress to revenue.
37	Land Development Site Investigations - Waterside	386	436	50	Increased budget	12.95%	The services required to enable the future use of the Waterside site have proved to be more complex than first anticipated and professional services' costs have continued to increase.
38	Riverside Outdoor Pool Site - Car Park Proposal	26	61	35	New budget	134.62%	In order to progress a potential scheme on this site the services of professionals have been instructed to provide designs and scheme costs.
39	Cost Property Asset Disposals	0	46	46	New budget funded	N/A	There is provision in regulations that allows 4% of asset disposal proceeds to be used to fund the cost of asset disposals.
42	Refurbishment of Commercially Leased Properties - 1 Springfield Lyons	2316	2217	-99	Reduced budget	-4.27%	An opportunity has arisen to enter into a long lease for this property with a saving on the refurbishment cost due to it being replaced by a contribution to the lessee. Costs associated with the lease agreement have been transferred to revenue and the budget reduced by this amount.

CAPITAL ASSET ROLLING/REPLACEMENT PROGRAMME

		2026/27					202728				
		REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE VARIATIONS FROM LATEST APPROVED ESTIMATE					2027/28 REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE REPHASING VARIATIONS				
			Analysis of Variations					Variations			
	CAPITAL ASSET REPLACEMENT PROGRAMME	Latest Approved Budget for 2026/27	Rephasing to + and from -	More/Less (-) Than Approved Budgets	Net Variance for 2026/27 Additional Cost	Total Proposed Budget 2026/27	Original Approved Budget for 2027/28	Rephasing to + and from -	More/Less(-) Than Approved Budgets - More Requires Approval	Net Variance for 2027/28 Additional Cost	Total Proposed Budget Requiremen t for 2027/28
	SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
	Cleaner Communities										
1	Scootas for the Disabled	27			0	27	8			0	8
2	Chignal Vehicle Activated Signs (VAS)	9			0	9	0			0	0
3	Town Centre Bins	49			0	49	0			0	0
4	Retail Market Plant and Equipment	0			0	0	0			0	0
5	Route Optimisation System	0			0	0	45			0	45
6	Freighter House Equipment	0			0	0	16			0	16
7	Street Cleansing Vehicles	1,066		-6	-6	1,060	0			0	0
8	Street Cleansing Equipment	3			0	3	0			0	0
9	Street Cleansing Gully Cleanser	220			0	220	0			0	0
10	Street Cleansing Crane Vehicle	100	-100		-100	0	0	100	60	160	160
11	Wet Team Equipment	117	-14	6	-8	109	0	14	6	20	20
12	Hit Squad Replacements	72			0	72	0			0	0
13	Refuse Vehicles	735		-8	-8	727	0			0	0
14	Vehicle Maintenance	52			0	52	42			0	42
15	Recycling Vehicles	1,063		-9	-9	1,054	1,355			0	1,355
16	Recycling MRF	20			0	20	20			0	20
17	Food Vehicles	0			0	0	0			0	0
18	Prov. for Replacement with Electric Veh.	70			0	70	100			0	100
19	Love Your Chelmsford Van	32			0	32	0			0	0
20	Public Convenience Van	32			0	32	0			0	0
21	A12 Lighting Van	46			0	46	0			0	0
	Connected Chelmsford										
	Digital Services										
22	Digital Services Replacement Programme	18	-16		-16	2	708	10	159	169	877

CAPITAL ASSET ROLLING/REPLACEMENT PROGRAMME

		2026/27					202728				
		REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE VARIATIONS FROM LATEST APPROVED ESTIMATE					2027/28 REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE REPHASING VARIATIONS				
			Analysis of Variations					Variations			
	CAPITAL ASSET REPLACEMENT PROGRAMME	Latest Approved Budget for 2026/27	Rephasing to + and from -	More/Less (-) Than Approved Budgets	Net Variance for 2026/27 Additional Cost	Total Proposed Budget 2026/27	Original Approved Budget for 2027/28	Rephasing to + and from -	More/Less(-) Than Approved Budgets - More Requires Approval	Net Variance for 2027/28 Additional Cost	Total Proposed Budget Requirement for 2027/28
	SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
23	Digital Storage	0			0	0	0			0	0
24	Digital Servers	65			0	65	42			0	42
25	Website Upgrade	140	-140		-140	0	0	140		140	140
26	System Upgrade	9			0	9	9			0	9
27	System Security	20	-20		-20	0	0	20		20	20
28	Networks	0			0	0	12	-12		-12	0
29	Investment in Digital Technology - DPO	120			0	120	0			0	0
	Building Services										
30	Civic Centre Plant and Equipment	0			0	0	14			0	14
31	Civic Centre Pool Cars	50			0	50	0			0	0
32	Civic Centre Stairlift	9			0	9	0			0	0
33	Print and Post Room Replacement Equip.	16			0	16	0			0	0
34	Street Lighting	5			0	5	0			0	0
	Culture and Leisure										
	Leisure and Heritage										
35	Dovedales Replacement Equipment and Plant	16			0	16	0			0	0
36	Riverside Replacement Equipment	203	-10	-34	-44	159	87	10		10	97
37	Riverside Ice Rink	13			0	13	0			0	0
38	Riverside Magic Water System	10			0	10	0			0	0
39	Riverside Pool pod	50		-10	-10	40	0			0	0
40	Riverside Plant	55		-4	-4	51	0			0	0
41	CSAC Replacement Equipment	109			0	109	0			0	0
42	CSAC Plant	97			0	97	30			0	30
43	SWFLC Replacement Programme	34			0	34	51			0	51
44	SWFLC Pool pod	50			0	50	0			0	0
45	SWFLC Plant Replacement	51			0	51	527			0	527

CAPITAL ASSET ROLLING/REPLACEMENT PROGRAMME

		2026/27					202728				
		REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE VARIATIONS FROM LATEST APPROVED ESTIMATE					2027/28 REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE REPHASING VARIATIONS				
			Analysis of Variations					Variations			
	CAPITAL ASSET REPLACEMENT PROGRAMME	Latest Approved Budget for 2026/27	Rephasing to + and from -	More/Less (-) Than Approved Budgets	Net Variance for 2026/27 Additional Cost	Total Proposed Budget 2026/27	Original Approved Budget for 2027/28	Rephasing to + and from -	More/Less(-) Than Approved Budgets - More Requires Approval	Net Variance for 2027/28 Additional Cost	Total Proposed Budget Requiremen t for 2027/28
	SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
46	SWF 3G Pitch	421	-350		-350	71	0	350		350	350
47	Hylands House Mechanical and Electrical	27		1	1	28	0			0	0
48	Hylands Pavilion Infrastructure	33			0	33	0			0	0
49	Hylands Pavilion Equipment	60		2	2	62	0			0	0
50	Hylands House Equipment	34			0	34	10			0	10
	Cultural Services										
51	Theatres' Plant and Equipment	451	-99	6	-93	358	1,668	17	-18	-1	1,667
52	Museum Equipment and Vehicles	100	-10		-10	90	0	10		10	10
	Economy & Sustainable Transport										
53	Car Park Pay on Foot Equipment	5			0	5	0			0	0
54	Car Park Vehicles and Equipment	54			0	54	0			0	0
55	Car Parks CCTV	0			0	0	124			0	124
	Fairer										
	None										
	Greener Chelmsford										
56	Crematorium Equipment	70			0	70	170			0	170
57	Crematorium Columbarium	0			0	0	0			0	0
58	Cemetery Plant	0			0	0	0			0	0
59	Play Area Replacements	366			0	366	163			0	163
60	Parks and Sports Grounds Heating Systems	43			0	43	0			0	0
61	Parks Replacement Vehicles and Equipment	733		3	3	736	351			0	351
62	Melbourne 3G Pitch	356	-300		-300	56	0	300		300	300
63	Hylands Estate Car Park Equipment	0			0	0	110			0	110
64	Hylands Estate Sewerage pump	0		45	0	0	25			0	25

CAPITAL ASSET ROLLING/REPLACEMENT PROGRAMME

		2026/27					202728				
		REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE VARIATIONS FROM LATEST APPROVED ESTIMATE					2027/28 REPLACEMENT PROGRAMME - CAPITAL EXPENDITURE REPHASING VARIATIONS				
			Analysis of Variations					Variations			
	CAPITAL ASSET REPLACEMENT PROGRAMME	Latest Approved Budget for 2026/27	Rephasing to + and from -	More/Less (-) Than Approved Budgets	Net Variance for 2026/27 Additional Cost	Total Proposed Budget 2026/27	Original Approved Budget for 2027/28	Rephasing to + and from -	More/Less(-) Than Approved Budgets - More Requires Approval	Net Variance for 2027/28 Additional Cost	Total Proposed Budget Requirement for 2027/28
	SCHEME DESCRIPTION	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
65	Chelmer Park Artificial Pitch	0			0	0	0			0	0
66	Springfield Hall Park 3G Pitch	1,030	-1,030		-1,030	0	0	1,030		1,030	1,030
67	Town Centre parks Cycle Racks	4		1	1	5	0			0	0
	Health and Wellbeing										
68	CCTV Replacement Equipment	92	13		13	105	89	-13		-13	76
69	CCTV Various Schemes Sites CIL	1			0	1	0			0	0
70	PHPS Vehicles	28			0	28	90			0	90
71	PHPS Air Monitoring Equipment	68			0	68	0			0	0
72	Healthy Home Loans	0			0	0	0			0	0
73	Discretionary Loans DFG Funded	0			0	0	0			0	0
74	RIA Loans DFG Funded	0			0	0	0			0	0
75	RIA Grants DFG Funded	0			0	0	0			0	0
76	Disabled Facility Grants (fully externally funded)	1,416			0	1,416	0			0	0
77	Social Capital Funding Projects DFG funded	85			0	85	0			0	0
78	Housing Standards	0			0	0	0			0	0
	Planning and Place-Shaping										
	None										
79	Provision for Increases in Prices - Proposed Delegation to S151 Officer	83			0	83	100			0	100
	Totals	**10,413**	**-2,076**	**-52**	**-2,128**	**8,285**	**5,966**	**1,976**	**207**	**2,183**	**8,149**
			-2,128					**2,183**			

	2026/27 Analysis of Forecast Variations from Latest Approved Estimate		2027/28 Analysis of Projected Variations	
	£000's			£000's
Rephasing of Schemes to 2026/27	13		Rephasing of Schemes from 2026/27	2,046
Rephasing of Schemes to Later Years	-2,089		Rephasing of Schemes to Later Years	-70
Price Variations Increases to be approved	25		Price Variations Increases to be approved	225
Price variations Decreases	-37		Price Variations Decreases	
Reduced Demand	-40		Reduced Demand	-18
	-2,128			**2,183**

Reasons for Variations Greater Than £25,000 in Asset Replacement Programme

	Scheme Description	Latest Approved Budget £000's	Estimated Budget Required £000's	Variation £000's	Variation Type	Percentage Change	Reason
	2026/27						
	Cleaner Communities						
10	Street Cleansing Crane Vehicle	100	0	-100	Rephasing of spend to 2027/28	-100.00%	Service have rescheduled replacement to 2027/28 and reviewing options
	Connected Chelmsford						
25	Website Upgrade	140	0	-140	Rephasing of spend to 2027/28	-100.00%	Service have rescheduled replacement to 2027/28
	Culture and Leisure						
36	Riverside Replacement Equipment	203	159	-44	Rephasing of spend to 2027/28 and reduced demand	-21.67%	Service have rescheduled replacement to 2027/28 and pool pods replaced via pool
46	SWF 3G Pitch	421	71	-350	Rephasing of spend to 2027/28	-83.14%	Service have rescheduled replacement to 2027/28
51	Theatres' Plant and Equipment	451	358	-93	Rephasing of spend to 2027/28 and future years	-20.62%	Service have rescheduled replacement to 2027/28 and future years
	Greener Chelmsford						
62	Melbourne 3G Pitch	356	56	-300	Rephasing of spend to 2027/28	-84.27%	Service have rescheduled replacement to 2027/28
66	Springfield Hall Park 3G Pitch	1,030	0	-1030	Rephasing of spend to 2027/28	-100.00%	Service have rescheduled replacement to 2027/28
	2027/28						
	Cleaner Communities						
10	Street Cleansing Crane Vehicle	0	160	160	Rephasing of spend to 2027/28 & Price Variation	100.00%	Service have rescheduled replacement to 2027/28 and reviewing options, however the replacement is expected to be significantly higher.
	Connected Chelmsford						
22	Digital Services Replacement Programme	708	877	169	Rephasing of spend to 2027/28 & Price Variation	23.87%	Higher replacement costs based on current prices.
25	Website Upgrade	0	140	140	Rephasing of spend to 2027/28	100.00%	Service have rescheduled replacement to 2027/28
	Culture and Leisure						
46	SWF 3G Pitch	0	350	350	Rephasing of spend to 2027/28	100.00%	Service have rescheduled replacement to 2027/28 and undertake a joint procurement with Melbourne 3G Pitch
	Greener Chelmsford						
62	Melbourne 3G Pitch	0	300	300	Rephasing of spend to 2027/28	100.00%	Service have rescheduled replacement to 2027/28 and undertake a joint
66	Springfield Hall Park 3G Pitch	0	1,030	1030	Rephasing of spend to 2027/28	100.00%	Service have rescheduled replacement to 2027/28

APPENDIX 3

Revenue Budget Projections for the Next Five Years

1. Below is a high-level summary of forecast changes in the Council's income and expenditure compared to each preceding year. The Jan 26 Forecast column is the deficit for 2027/28 identified in the February 2026 budget report.

Variations on Prior Year	Jan 26 Forecast	27/28	28/29	29/30	30/31	31/32	Note
Description	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**	
Inflation							
Pay Inflation	1,413	1,455	1,157	1,185	1,214	1,245	A
Other Inflation	299	353	365	372	385	399	A
Temporary Accommodation	861	1,932	1,246	1,332	1,421	1,515	B
Staff & Other Expenditure Changes							
One-Off Growth Items	0	539	-687	0	0	0	C
Ongoing Growth Items	0	241	0	0	0	0	D
Central Pay Provision and Pension Primary Rate Changes	-220	-451	-218	0	0	0	A
One-Off Growth from 26/27 removed	-412	-507	0	0	0	0	
HB Subsidy	0	120	-400	0	0	0	
Insurance Premiums Following Tender	0	-236	0	0	0	0	
Income							
Income Inflation @ 3%	-1,140	-1,205	-1,186	-1,222	-1,257	-1,294	E
Property Income Adjustments	-897	-516	0	0	0	0	
Theatre Additional Income	0	-250	0	0	0	0	
Extended Producer Responsibility Grant	0	225	0	0	0	0	
Government Decisions							
Planning Cost Recovery	-800	-800	0	0	0	0	F
Core Funding	-3	126	-459	-275	-281	-286	G
Asylum Seeker Grant	0	264	0	0	0	0	H
Revenue Impact of Capital							
Interest Income, MRP, Leasing and Interest Paid	933	508	1,508	563	-47	234	I
Revenue contribution to Capital	-50	-143	74	27	-127	101	
Reserves							
Use of General Fund Balance for one-off items	311	-675	987	0	0	0	C
Use of Reserves for capital funding	229	136	120	291	541	190	
Use of other Earmarked Reserves	992	741	364	-30	0	0	
Council Tax Income	-625	-630	-531	-547	-563	-580	
Other	-337	10	191	-84	44	44	
-Surplus/+Deficit	**554**	**1,236**	**2,530**	**1,611**	**1,330**	**1,567**	

2. Below are short explanatory notes on some of the key variances identified in the table above:
    i. Inflation and Pay increases have been allowed for. However, there is uncertainty to due to world energy prices feeding through to other costs and pay.
    ii. Additional costs from volatile fuel and energy market prices are to be managed in year by specific reserves (Appendix 4). Gas and electricity prices are mostly fixed for 2027/28. The main risks are longer term. Vehicle fuel remains at risk to world events. For information, every 10p variation in price per litre costs the Council approximately £69k.
    iii. Pay. A provision of 3% has been allowed for in 2027/28, with 2.5% in future years. This carries some risk, including the potential for a larger increase in the National Living Wage. A 1% pay award costs an additional circa £484k. Additionally, the central pay award provision in 2026/27 is underspent and can be taken as a saving.
    iv. The pension primary fund costs charged to employers by Essex Pension Fund for employees who are part of the pension scheme are reducing over the next two financial years, generating savings of £220k in 2027/28 and an additional £218k in 2028/29. The pension fund will be reviewed again, with new contribution rates set in 2029/30. Based on the last valuation, the outlook in 2029/30 is favourable and rates are expected at least to stabilise at the lower levels.
    v. Other costs are also experiencing inflationary pressures, due to world events passing through supply chains. Building maintenance costs are increasing and 5% inflation has been allowed for. Various software contracts the Council holds have inflationary increases built in as part of the terms of the contract, so these have been allowed for. Business Rates, Members Expenses and some other minor budgets have also had inflationary increases applied in the forecast.

b. Temporary Accommodation use:
    i. The number of households in Temporary Accommodation (TA) is expected to continue to rise. The forecast assumes an additional 55 households in TA each financial year. These households are assumed to use the most expensive form of TA, Nightly Lets, due to there being no capacity elsewhere. Price inflation of 3% has also been included for landlord charges, including Nightly Lets, Bed and Breakfast and Private Sector Landlords (PSLs). The large increase in 2027/28 is partly due to the forecast number of households in TA being higher in 2026/27 than the budget allowed, which results in a higher budget increase for 2027/28.
    The current costs of a new case of TA are an average of £15.2k; however, there are variations according to the number of bedrooms required. These are shown below, as at September 2026, to aid understanding of the financial issues:

Property Size	Average Cost per Case
Room	£14,736
1 Bed	£11,476
2 Bed	£16,537

3 Bed	£21,009
4 Bed	£18,346

ii. To alleviate the financial cost of TA;

- A new Housing Initiatives Officer is being recruited, with the intention of this delivering different solutions to the housing challenges Chelmsford City Council faces, which could in turn reduce the financial impact shown in this forecast.
- Other initiatives will be looked at in order to increase supply of both TA and permanent social housing, to reduce the projected, overspend.

The impact of any new measures has not been allowed for in the projections but will be reviewed as part of the 2027/28 budget

c. Staff and Other Expenditure Changes (including One-Off Growth Items and LGR costs)
   i. Before the Government announcement in early September to withdraw its decision on LGR for Greater Essex, several roles were recruited to across the Council. These roles had begun the work needed to make the Council safe and legal on 1 April 2028, when the new unitary Council was due to launch. All other recruitment for LGR roles was paused in September, but the work undertaken by the roles recruited into remains of value to the Council regardless of the outcome on LGR. It is proposed that these posts remain in place until the end of 2027/28. If there is no new LGR process, they will be reviewed to determine whether they should be funded on an ongoing basis. The LGR Reserve balance is discussed in the reserves section below.
   ii. The change in the use of the General Fund balance in 2027/28 is to fund one-off spend for example on City Council elections, the laptop (device) replacement programme and additional temporary posts. This will be reviewed in the budget.
d. Ongoing growth items – several new posts and initiatives were agreed during 2026/27 as part of the supplementary estimate process, which are referenced further in Appendix 1 of this report. These are discussed in paragraph 2.5 of the introduction to this report.
e. The forecast assumes a 3% increase in all fees and charges, and Council Tax, from 2028/29 onwards. In practice, all changes are reviewed fee by fee and charge by charge, and hence some will vary from this budget assumption
f. The Government consulted on allowing local authorities to set planning charges at 90% cost recovery. The charges currently are determined by Government and effectively result in local taxpayers subsidising planning services. The impact of the change is not yet certain but previous analysis identified an additional £800k of income was possible. That remains the working assumption but will be reviewed in the budget.
g. The Government's funding settlement in 2026/27 covered the three years up to 2028/29. The Council's financial forecast then assumes annual 2% increases. When the 2026/27 settlement was provided, the Government indicated that various data sources supporting the figures could be updated throughout the three-year period, which could result in the level of funding changing. However, current indications are that there will be no material change to the 2027/28 funding.

h. The Council has for the last three years received grant funding for each asylum seeker housed in Home Office accommodation in the district on 1 April. Due to the Government's aim to move asylum seekers out of these forms of accommodation, it is assumed that this funding will end in 2027/28. The budgetary impact is a loss of £264k.

i. The cost of financing the council capital programme is rising. However:
    i. Of the rising cost over the next 5 years, most is caused by funding the replacement equipment programme from debt.
    ii. Borrowing costs are often met or exceeded by the benefits of the scheme. So increased borrowing costs are not always a detriment to the revenue budget.
    iii. In common with many other local authorities, the Council's capital expenditure forecasts have tended to overstate actual spending, leading to significant underspends of revenue capital financing costs.

3. Possible risks to the forecast

The s151 officer will include a more detailed review of risks in the January 2027 Budget report. Indicatively, the major known risks are:

a. The forecast is not the budget, and more detailed work is being undertaken with services to identify proposals for the January 2027 Cabinet meeting.
b. Additional costs arising from vehicle fuel price changes will be managed via reserves, reflecting the expected temporary nature of the price increases. The cost of utilities is mostly fixed for 2027/28, but a reserve will also be used to manage any cost increases.
c. Pay inflation. The 2027/28 pay provision at 3% is below 3.5% paid in 2026/27 and below average earnings (3.5%). With inflation potentially increasing over the next year, there is a risk of a higher cost; each 0.5% extra would be circa £242k per year.
d. The Council will receive a report during 2027 on replacing the existing Cemetery and Crematorium. The figures identified in a previous Cabinet report suggested an increased annual cost, due to potential new income not fully offsetting the financing and running costs. If the existing facility is not replaced, it can be expected to run out of capacity or fail. The timing of the failure is not sufficiently certain, and neither are replacement costs, so this is treated as a risk in the five-year forecast.
e. Interest rate risk on borrowing. The Council's external debt is forecast to increase, and the direction of interest rates is currently volatile. In addition, long-term interest rates have been rising, however the Council may choose to borrow for shorter periods of up to one year at lower interest rates. This does expose the Council to interest rate risk; costs could rise or fall. A 0.5% increase in the interest rate is shown as an example below for each year.

	27/28 £000s	**28/29 £000s**	**29/30 £000s**	**30/31 £000s**	**31/32 £000s**
Potential additional cost of 0.5% change in interest rate	222	92	26	-59	-27

f. Planning Income. The Council has been advised by civil servants and through ministerial statements that it will have greater freedom to set planning charges locally. This will mean a significant increase in council income. However, there remains some risk that Government statements do not match reality and the freedom to set charges is delayed. This could potentially leave

a shortfall compared to the £800k per annum assumed. Officers have not yet quantified this risk.

g. A summary of the potential risks is:

	27/28	28/29	29/30	30/31	31/32
Variations on Prior Year	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**
-Surplus/+Deficit	1,236	2,530	1,611	1,330	1,567
Financing cost of Crematorium and additional running costs (£1.3m)	133	398	769	0	0
Adjustment for net change from higher pay at 3.5% pa		242	484	484	484
Crematorium additional income £0.76m increase			-250	-250	-260
Interest rate -example of 0.5% increase in assumption	222	92	26	-59	-27
Planning Income - freedoms not granted	TBC				
Forecast adjusted for major risks (annual change)	**1,591**	**3,262**	**2,640**	**1,505**	**1,764**

4. Actions

The forecast identifies a deficit for 2027/28 and the following years, with 2028/29 identified as the most significant challenge. The approach to the budget should therefore be:

a. Significant flexibility in approach
b. Review forecasts of temporary accommodation caseload to ensure that all current and expected initiatives and actions are included in the estimates. This should provide downward movement in cost estimates beyond the current forecast.
c. Undertake the annual process of service budget reviews by Directors in consultation with cabinet members to find savings with limited impact on the delivery of services. Overall savings are likely to be small but will contribute to fund any service enhancement or growth.
d. Identify any additional revenue funding for service enhancement or to maintain essential services.
e. If needed, use additional freedoms if they are offered by the Government to increase Council Tax in 2027/28 to protect against service cuts.
f. Review the capital programme to ensure spend and any financing costs are needed to effectively meet corporate priorities. The Council's assets should continue to be reviewed and managed to keep costs low and increase income either from disposals or revenue income.
g. A review of all fees and charges should be undertaken.
h. Use reserves to offset temporary income losses and smoothing in additional costs.
i. The budget shortfall for 2028/29 work should start now, but the main focus should be ensuring a balanced budget for 2027/28.
j. The Council should seek to minimise the forecast budget gaps for the years after 2028/29, even though the uncertainties regarding LGR make long-term planning difficult.

5. Conclusion

Council budgets will need to be reassessed in the light of the Government's decision in September to cancel and review LGR in Greater Essex. There is uncertainty around the process, but it seems more likely than not that LGR will still go ahead, at least a year later than initially proposed. This means that the 2027/28 and 2028/29 annual budgets will both need to be balanced, with significant deficits currently showing for both years. The main focus needs to be the 2027/28 budget while taking early steps to plan how the 2028/29 forecast deficit can be resolved.

The usual annual reviews of capital and revenue budgets along with fees and charges will need to be undertaken.

Reserves Forecast

The following commentary and figures are not for approval but are included to provide an outline of the s151 officer's current view of reserve needs. The reserves forecast covers the 2026/27 forecast and the five years of the forecast period to 2031/32, covered on the next page. The forecast currently assumes minimal use of the LGR Reserve, established in 2026/27, due to the Government's decision in September 2026 to cancel and review LGR for Greater Essex. The reserve will be reviewed when any further decisions are forthcoming and will result in changes in the use of this reserve in later years of the forecast.

- The s151 officer is required to set a recommended level of General Fund Reserve (contingency); the target remains at £9m. A review of the recommended level of General Fund balance will take place in the 2027/28 budget. The reserve is forecast to remain above the current £9m target.
- Key transfers between reserves in 2027/28
    - It is likely that a proposal will be made to transfer £0.5m from the Extended Producer Responsibility (EPR) funding reserve to the project evaluation reserve. The 2026/27 budget allows for a reduction of £225k in the expected EPR grant from Government, so any future reductions will be met from the General Fund Reserve. The project evaluation reserve is in place to cover evaluation costs and the risk of capital schemes not being progressed. The proposed transfer reflects the current risks.
- Key use of and contributions to reserves in 2027/28
    - £0.3m use of the LGR Reserve in 2027/28 to fund one-off spend on various posts recruited to before the announcement to cancel and review LGR for Greater Essex.
    - £0.9m use of the General Fund balance in 2027/28 to fund one-off spend on including City Council elections, the device replacement programme, and additional temporary posts.

Earmarked	2026/27 Budget and forecast				2027/28 (Forecast)				2028/29 (Forecast)				2029/30 (Forecast)				2030/31 (Forecast)			
	£000s	Budget Transfers £000s	Updated Forecast adjs. £000s	£000s	£000s	Transfers £000s	-Use/ +Contribution £000s	£000s	£000s	Transfers £000	-Use/ +Contribution £000s	£000s	£000s	Transfers £000	-Use/ +Contribution £000s	£000s	£000s	Transfers £000	-Use/ +Contribution £000s	£000s
Corporate Investment																				
Cultural Support 'Fund'	0		4	4	4			4	4			4	4			4	4			4
Hylands House Reserve	3		75	78	78			78	78			78	78			78	78			78
DPO Reserve	0		0	0	0			0	0			0	0			0	0			0
Local Development Plan	232	500	-23	709	709		-200	509	509		-200	309	309		-230	79	79	500	-230	349
Supplementary estimate Reserve	0	600	-300	300	300		-300	0	0	300	-300	0	0	300	-300	0	0	300	-300	0
New: LGR Reserve	0	6,000	-264	5,736	5,736		-264	5,472	5,472			5,472	5,472			5,472	5,472			5,472
	235	7,100	-508	6,827	6,827	0	-764	6,063	6,063	300	-500	5,863	5,863	300	-530	5,633	5,633	800	-530	5,903
Capital Programme																				
Project Evaluation Reserve	177	500	-122	555	555	500		1,055	1,055			1,055	1,055			1,055	1,055			1,055
Infrastructure fund (to be clossed)	542	-542	0	0	0			0	0			0	0			0	0			0
Sinking Fund for let property	57		66	123	123		50	173	173		50	223	223		50	273	273		50	323
Earmarked CIL interest reserve	0		0	0	0		33	33	33		125	158	158		283	441	441		500	941
Chelmsford Development & Asset Replacement	36	73	-31	78	78		16	94	94		44	138	138		177	315	315		501	816
	812	31	-87	756	756	500	99	1,355	1,355	0	219	1,574	1,574	0	510	2,084	2,084	0	1,051	3,135
Risk Management																				
Insurance	798	402	50	1,250	1,250			1,250	1,250			1,250	1,250			1,250	1,250			1,250
Investment Reserve	736		-736	0	0			0	0			0	0			0	0			0
Pension deficiency	1,240	-690	0	550	550			550	550			550	550			550	550			550
Park and Ride	298		48	346	346			346	346			346	346			346	346			346
Vehicle Fuel Reserve	300	-300	400	400	400			400	400			400	400			400	400			400
Utility Costs Reserves	1,500	-1,000	800	1,300	1,300			1,300	1,300			1,300	1,300			1,300	1,300			1,300
Government funding and Business Rates Contingency Reserve	4,068	-4,068	0	0	0			0	0			0	0			0	0			0
Business timing reserve	1,312		-1,312	0	0			0	0			0	0			0	0			0
Rent income (temporary loss of tenant)	2,062	-101	-1,711	250	250		-100	150	150			150	150			150	150			150
EPR Funding Reserve	779		-225	554	554	-554		0	0			0	0			0	0			0
	13,093	-5,757	-2,686	4,650	4,650	-554	-100	3,996	3,996	0	0	3,996	3,996	0	0	3,996	3,996	0	0	3,996
Total Earmarked Reserves	14,140	1,374	-3,281	12,233	12,233	-54	-765	11,414	11,414	300	-281	11,433	11,433	300	-20	11,713	11,713	800	521	13,034
Unearmarked																				
General Fund	**11,896**	**-1,374**	**1,347**	**11,869**	**11,869**	**54**	**-987**	**10,937**	**10,937**	**-300**		**10,637**	**10,637**	**-300**		**10,337**	**10,337**	**-800**		**9,537**
Recommended level £9m																				
	11,896	-1,374	1,347	11,869	11,869	54	-987	10,937	10,937	-300	0	10,637	10,637	-300	0	10,337	10,337	-800	0	9,537
Total reserves	26,036	0	-1,934	24,102	24,102	0	-1,751	22,351	22,351	0	-281	22,070	22,070	0	-20	22,050	22,050	0	521	22,571

The forecast general balance for 2031/32 is £9.237m. The column has been removed for presentational reasons.

Chelmsford City Council Cabinet

13 October 2026

Revised Masterplan and Planning Brief Procedure (October 2026)

Report by:

Cabinet Member for Planning and Place Shaping

Officer Contact:

Kirsty Dougal, Planning Services Manager - kirsty.dougal@chelmsford.gov.uk

Purpose

To present the revised Masterplan and Planning Brief Procedure (October 2026) and seek Cabinet's approval to publish and adopt the document as presented in Appendix 1 and Appendix 2.

Options

1. Approve the revised Masterplan and Planning Brief procedure for publication.
2. Approve the revised Masterplan and Planning Brief with any amendments for publication.
3. Not approve the revised Masterplan and Planning Brief procedure for publication.

Preferred option and reasons

To approve the revised Masterplan and Planning Brief Procedure as the amendments are intended to improve transparency, increase certainty for developers and stakeholders, and support the timely delivery of high-quality development across Chelmsford while maintaining the Council's commitment to sustainable growth and effective placemaking.

Recommendations

1. That Cabinet approve the revised Masterplan and Planning Brief Procedure as the amendments are intended to improve transparency, increase certainty for developers and stakeholders, and support the timely delivery of high-quality development across Chelmsford while maintaining the Council's commitment to sustainable growth and effective placemaking.

2. That Cabinet agree that any future minor changes or amendments may be made by the Assistant Director for Planning and Place Shaping, or Director of Sustainable Communities, in consultation with the Cabinet Member for Planning and Place Shaping.

Summary of Key Points

The Council, following approval by Policy Board and Cabinet, adopted the ‘Updated Masterplan Procedure’ in 2025.

This report presents a revised version of that updated procedure to reflect experience gained from implementing the revised procedure introduced in 2025 and aims to ensure that the process remains effective, proportionate and aligned with current working practices.

The fundamental three-route approach comprising Strategic Masterplans, Masterplans and Planning Briefs remains unchanged. The proposed updates focus on clarifying roles and responsibilities, refining consultation and engagement requirements, updating governance and approval arrangements, and providing greater guidance on the content expected at each stage of the process.

The revised procedure is supported by a set of process diagrams which provide a clear visual representation of each route, indicative timescales, key stages, consultation requirements and decision-making processes.

The proposed amendments are intended to improve transparency, increase certainty for developers and stakeholders, and support the timely delivery of high-quality development across Chelmsford while maintaining the Council's commitment to sustainable growth and effective placemaking.

1. Introduction

1.1. This report outlines the changes and rationale for updating the previously agreed 'Updated Masterplan Procedure (November 2025)'. The revised Masterplan and Planning Brief Procedure (October 2026) is appended as Appendix 1.

2. Background

2.1. Masterplans are a development management tool to ensure well-designed, high quality, sustainable developments. Masterplans are currently required by Chelmsford City Council (CCC) for certain sites to provide more detail on the priorities and principles for development prior to relevant outline and full planning applications. The term is considered generic within planning, in the context of this report it covers a range of processes from strategic masterplans to planning briefs.

2.2. There is not a legal requirement for masterplans or a masterplan procedure within national policy or guidance. However, masterplans are referenced within the National Planning Policy Framework 2026 (NPPF) in DP1: A strategy for design; DP2: Local design guides, design codes and masterplans; DP3: Key principles for well-designed places; HE1: Planning for the historic environment; and HE2: Conservation Areas and World Heritage Sites. The NPPF defines 'masterplan' as a flexible, placemaking tool, providing a three-dimensional spatial framework and long-term vision for the development or regeneration of area-specific or site-specific locations.

2.3. It is at the discretion of the Local Planning Authority (LPA) to request masterplans and to curate a procedure for developers and site promoters. Chelmsford City Council chooses to require masterplans to ensure high-quality development that is in line with site specific policies or the wider spatial strategy. Section 1 of the revised Masterplan and Planning Brief Procedure (October 2026) provides further context to the rationale for masterplanning.

3. Main Changes and Rationale

3.1. CCC has used a masterplan procedure from 2018. It was previously updated in March 2019, and more recently in November 2025. The November 2025 update was a more substantial review of the procedure to bring it in line with national guidance and recent service standards and introduced introduce a proportionate three-route approach consisting of Strategic Masterplans, Masterplans and Planning Briefs.

3.2. Following practical experience of operating the revised procedure and the preparation of several masterplans, a further review has been undertaken to ensure that the document accurately reflects current working practices, provides greater clarity for developers and stakeholders, and supports the efficient delivery of Local Plan allocations.

3.3. The proposed amendments do not alter the underlying purpose of the procedure or the three-route approach approved by the Council. Instead, they seek to refine the

process, clarify expectations and responsibilities, and improve transparency regarding consultation, governance and decision-making arrangements.

3.4. The main changes include:

a) Renaming the document as the Masterplan and Planning Brief Procedure to better reflect the three available routes and ensure consistency throughout the document.
b) Updating the introduction and objectives to reflect experience gained from implementing the procedure and to reinforce the aim of providing a proportionate process based on the scale and complexity of development proposals.
c) Clarifying the circumstances in which masterplans and planning briefs are required, including the relationship between Local Plan site allocations and future planning applications.
d) Updating references to the Council's current organisational structure and decision-making responsibilities, including delegated approval arrangements.
e) Providing additional clarification regarding the content and purpose of Strategic Masterplans and Masterplans, including the minimum information expected at each stage of the process.
f) Refining consultation and engagement requirements to better distinguish between stakeholder engagement undertaken during the preparation of documents and the Council's formal consultation processes.
g) Clarifying the role of Planning Performance Agreements (PPAs) and the scope of work covered at each stage of the process.
h) Updating references to strategic growth sites and other allocation-specific requirements to reflect the emerging Local Plan position.
i) Improving the readability of the procedure through revised formatting, updated terminology and clearer stage descriptions.

3.5. To support the revised procedure, a series of process diagrams have been prepared and are attached as Appendix 2. These diagrams provide a visual representation of each route, including the Strategic Masterplan Route, Masterplan Route and Planning Brief Route. The diagrams summarise the responsibilities of the developer/promoter and the Council at each stage, together with indicative timescales and decision-making points. They are intended to assist applicants, stakeholders and officers in understanding the procedural requirements and expected outputs associated with each route.

3.6. The amendments are intended to provide greater certainty and consistency for all parties while maintaining the Council's commitment to securing high quality placemaking and sustainable development across allocated and non-allocated sites.

4. Conclusion

4.1. The revised Masterplan and Planning Brief Procedure (October 2026) follows the ‘Updated Masterplan Procedure 2025’ and introduces further clarity following experience of using the Procedure, as well as introducing more consistent and easy to understand terminology. It continues to address the need to accelerate housing delivery while maintaining a focus on quality and key masterplanning principles.

4.2. The revised Masterplan and Planning Brief Procedure (October 2026) attached at Appendix 1, as well as the accompanying process diagrams attached at Appendix 2, are recommended to be published for use within the Planning Service. It is also recommended that the Assistant Director for Planning and Place Shaping be

authorised to make minor, inconsequential amendments to the Procedure in consultation with the Cabinet Member for Planning and Place Shaping.

List of appendices:

Appendix 1 – Revised Masterplan and Planning Brief Procedure (October 2026)

Appendix 2 - Revised Masterplan and Planning Brief Procedure (October 2026) Process Diagrams

Background papers:

Microsoft Word - Masterplan Procedure 2025 - accessible.docx

National Planning Policy Framework - GOV.UK

Corporate Implications

Corporate Implication	Response
Legal/Constitutional	The Masterplan Procedure would be applicable to allocated sites and planning applications.
Financial	Each masterplan route requires a fee to be paid to the Council. This is agreed upon at the Planning Performance Agreement stage for options 1 & 2 and is set by the Council for option 3.
Potential impact on climate change and the environment	None.
Contribution toward achieving a net zero carbon position by 2030	None.
Personnel	There are no personnel issues arising from this report.
Risk Management	None.
Equality and Diversity	An Equality and Diversity Impact Assessment has been undertaken for the Council's emerging Local Plan.
Health and Safety	There are no Health and Safety concerns arising from this report.
Digital	There are no digital issues arising from this report.
Other	None.

Equality Impact Assessment

Assessment of impact

Using the information above, assess if the policy / function could potentially disproportionately impact on different protected groups.

Specify if the potential impact is positive, could adversely impact or if there is no impact. If an adverse impact, indicate how the impact will be mitigated.

Please note any data used in the impact assessment should be anonymised and with due regard given to data privacy in line with GDPR.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Age What will the impact be on different age groups such as younger or older people?	✓			Improved consultation and placemaking may help ensure developments consider the needs of both younger and older people.	Ensure consultation material is accessible and available in a range of formats. Continue considering age-friendly design principles through masterplanning.
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate	✓			The procedure supports early consideration of movement, infrastructure and public realm, which can help improve accessibility within future developments	Ensure consultation information is accessible, including digital accessibility standards and alternative formats on request. Encourage inclusive design principles within masterplans.
Pregnancy and maternity			✓	The procedure does not directly affect people on	No specific action required.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Pregnant women and new and breastfeeding Mums				the basis of pregnancy or maternity.	
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership			✓	The procedure does not differentiate between individuals based on marital or civil partnership status.	No specific action required.
Sex Is the service used by people of both male and female biological characteristics or intersex and are the sexes given equal opportunity?			✓	The procedure applies equally to all sexes and does not create differences in access or participation.	No action required.
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment?			✓	The procedure relates to development processes rather than personal characteristics.	No action required.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Additionally, is there an impact on people with different gender identity?					
Religion or belief Includes not having religion or belief			✓	The procedure applies equally to all religions and beliefs.	No action required.
Sexual Orientation What is the impact on people of different sexual orientation such heterosexual, lesbian, gay or bisexual people?			✓	The procedure relates to development processes rather than personal characteristics. It applies equally to all people.	No action required.
Race Includes ethnic or national origins			✓	The procedure relates to development processes. It applies equally to all people.	Ensure consultation information is written in plain English and consider translation or interpretation support where justified.

Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Are there any other groups who could find it difficult to access or make use of the policy / function? For example: low income / people living in rural areas / single parents / carers and the cared for / past offenders / long-term unemployed / housebound / history of domestic abuse / people who don't speak English as a first language / people without computer access etc.			✓	The procedure includes online publication and site notices, which provides multiple opportunities to engage. However, some groups may face barriers to digital participation.	Continue use of site notices alongside online consultation. Provide alternative methods of engagement where requested and ensure consultation periods are proportionate and publicised appropriately.

Consultation on Equality Impact Assessment

None.

Equality Impact Assessment Conclusion

Decision	Explanation
✓ **Continue the policy with no changes**	No impact on many characteristics. Some positive impacts from improved consultation and placemaking.

[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]	
☐ **Continue the policy with adjustments** *[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]*	
☐ **Adverse impact but continue** *[For example: Negative impact has been objectively justified.]*	
☐ **Suspend or withdraw the policy for further review / consideration of alternative proposals** *[For example: High risk of negative impact for any group / insufficient evidence / need to involve or consult with protected groups / negative impact which cannot be mitigated or justified / unlawful discrimination etc.]*	

Consultees:

CCC – Development Management

CCC – Spatial Planning

CCC – Economic Development and Implementation

Chelmsford City Council Policy Board

Relevant Policies and Strategies:

Our Chelmsford, Our Plan:

The above report relates to the following priorities in the Corporate Plan:

Promoting sustainable and environmentally responsible growth to stimulate a vibrant, balanced economy, a fairer society and provide more homes of all types.

Creating a distinctive sense of place, making the area more attractive, promoting its green credentials, ensuring that people and communities are safe.

Bringing people together and working in partnership to encourage healthy, active lives, building stronger, more resilient communities so that people feel proud to live, work and study in the area.

Adopted Local Plan 2013-2036, Pre-Submission Local Plan 2022-2036, Statement of Community Involvement (2020) and Statement of Community Involvement – Consultation Draft (September 2025 update).

Revised Masterplan and Planning Brief Procedure for Local Plan Development Allocations to 2041

October 2026

1. Introduction

1.1 To help ensure well-designed, high quality, sustainable developments, the Council will require certain growth sites allocated in the Local Plan to go through a masterplan/development framework process. The principles in this procedure can also be applied to planning applications for non-allocated sites.

1.2 Since the first introduction of masterplan process in the 2020 Local Plan, the process has been updated periodically to shorten the process where it is legitimate to do so and without compromising on the quality of the development. Following several masterplans coming forward, it is necessary to amend small aspects of the procedure to more accurately reflect current working practices and capabilities. This update, in line with the emerging Local Plan which confirms where sites must be brought forward in accordance with a masterplan or planning brief, has identified three possible processes; each proportionate to the complexity and scale of proposed developments to provide a more efficient route to delivery of allocations. The updated procedure supersedes previous masterplanning and development framework processes , however previously approved masterplans and development frameworks are still valid.

Objectives

- Speed up process and avoid duplication
- Consultation level to be more proportionate to masterplan type
- Accelerate delivery to improve future five-year housing land supply
- To focus on uses, strategic movement/access, delivery and phasing rather than detail
- Masterplan type to be more bespoke to development site

1.3 This procedure sets out three routes for sites that require a masterplan/planning brief. The Council will select the required route for the developer/promoter on a case-by-case basis and the Council's Assistant Director for Planning and Place Shaping or Director of Sustainable Communities have discretion to change the process type, if necessary.

Routes

Route 1 - Strategic Masterplan Process - Sites that for example, are large and strategic in nature, require major infrastructure and on-site constraint mitigation, where the masterplan or a development framework must reflect sufficient detail.

Route 2 - Masterplan Process - Sites which are for example, less strategic in nature, do not require major infrastructure and are not heavily constrained as identified in the Local Plan allocation process.

Route 3 - Planning Brief - Prepared by the Council for sites which are small, less constrained and more easily delivered.

1.4 A masterplan/planning brief will not be necessary for solely employment sites unless major infrastructure, constraints or phasing require more up-front detail. A masterplan/planning brief may be required for other strategic sites or long-term projects proposing a number of linked developments for different time scales and the Council is able to request a masterplan/planning brief prior to the submission of future planning applications.

1.5 This procedure is necessary to guide document preparation and approval. The procedure sets out the obligations on the part of both the developer/promoter and the Council, the extent of engagement with stakeholders and the public and, once finalised, the status of each document. All masterplans and planning briefs should address the principles set out within the relevant site policy in the Local Plan.

1.6 Following approval of a masterplan/planning brief, further detailed design work to cover aspects such as technical planning considerations and mitigation, detailed site planning, architecture and materials is expected to be undertaken through the normal pre-application planning process. Planning applications are expected to reflect content of the masterplan/planning brief so should be submitted sequentially and not before the masterplan/planning brief is substantially agreed.

1.7 The three largest Strategic Growth Sites in the adopted and new Local Plan will follow a more bespoke strategic development framework process. These sites are described below:

1.8 Strategic Growth Site 1a (Chelmer Waterside Allocations) – This site is a large brownfield Strategic Growth Site with complex land assembly and operational and utility issues which other sites do not have. However, the initial stages have been started by the City Council as the landowner to assist in the marketing of the site. In October of 2021 the Council approved a development framework for Chelmer Waterside.

1.9 Strategic Growth Site 6 (Northeast Chelmsford) – This site is a government endorsed Garden Community which will be delivered within and beyond the plan period. The site has a significantly different delivery structure than other sites, with a Delivery Board, Steering Group and various working groups in place, including a dedicated community engagement group. In January of 2023 a development framework for Chelmsford Garden Community was approved by the Council.

1.10 Strategic Growth Site 16a (Hammonds Farm – East Chelmsford Garden Community) – This site is being brought forward within the 2025 Local Plan Review as a new Garden Community. The site is expected to deliver roughly 4500 homes as well as key infrastructure and place making, with the full delivery of this site expected to continue beyond the plan period. This site is currently undergoing the development framework process.

1.11 Each process is detailed below. First, Strategic Masterplan Process. Second, the Masterplan process. Third, the Planning Brief process.

Routes and Stages

1) Strategic Masterplan Route: Estimated duration 9 – 12 Months

Stage 0

Developer	Council
• Developer/promoter notifies the Council of intention to commence the strategic masterplan process.	• The Council produces a framework of their own setting out what information and analysis should be included in the strategic masterplan for the site and provides a copy to the developer/promoter. This is required to be used as a basis for Stage 1, the production and submission of a draft strategic masterplan pre-application enquiry.

- This stage triggers the requirement for a Planning Performance Agreement (PPA). This will be tailored to the scale and complexity of the site. Where a site includes multiple parcels of land, it is required that the developer/promoter of each parcel is signed up to the agreement. However, the obligations of the individual developer/promoter will be subject to the availability of the individual sites. This allows sites to come forward independently as they become available, but strategic masterplan principles can still be established.

- The PPA will cover all the stages of the strategic masterplan, from the initial notification through to approval of the strategic masterplan by the Council. It will not include any subsequent pre-application discussions/planning applications following approval of a Strategic Masterplan as this will be covered by separate PPA.

- The PPA will agree the scope, timescale, consultation and engagement approach and fee relating to the strategic masterplan process.

Sites requiring Strategic Masterplans

- Strategic Growth Site 1b – Former St Peters College Approved June 2022
- Strategic Growth Site 2 – West Chelmsford (Warren Farm) Approved January 2021
- Strategic Growth Site 3a – East Chelmsford (Manor Farm) Approved November 2021
- Strategic Growth Site 3b – East Chelmsford – Land North of Maldon Road (Employment) (Joint 3a-3d) Approved June 2021
- Strategic Growth Site 3c – East Chelmsford – Land North of Maldon Road (Joint 3a-3d) Approved June 2021
- Growth Site 3d – East Chelmsford – Land North of Maldon Road (Residential) (Joint 3a-3d) Approved June 2021
- Strategy Growth Site 7a – Great Leighs – land at Moulsham Hall (Joint 7a-7c)
- Strategy Growth Site 7b – Land East of London Road (Joint 7a-7c)
- Strategy Growth Site 7c – Land North and South of Banters Lane (Joint 7a-7c)
- Strategy Growth Site 8 – North of Broomfield Approved September 2020
- Strategy Growth Site 10 – North of South Woodham Ferrers Approved March 2021

Some of the above sites have existing masterplans/planning briefs.

Stage 1

Developer	Council
• Developer/promoter submits draft strategic masterplan pre-application enquiry to the Council • Evidence base should be provided	• Enquiry is registered by the Council. At this stage the documents are subject to a focused consultation and officer review (see below).

The developer/promoter and Council engage in pre-application negotiations. These should include but are not limited to:

- Requiring the development area to reflect the adopted Policies Map
- Requiring the strategic masterplan to reflect the development principles set out in the Strategy Growth Site Policy for the area
- Supporting evidence (typically baseline evidence given the formative planning stage) required to be supplied by the site promotor/developer. This may include transport modelling, Flood Risk Assessment, Arboricultural Assessment, Preliminary Ecology Assessment and Habitats Regulations Assessment and Landscape Assessment.
- Where appropriate, review existing relevant evidence or guidance relating to the site and its context (for example Supplementary Planning Documents (SPDs), 'made' Neighbourhood Plans and existing Village Design Statements (VDS's).

Why is the strategic masterplan only being subject to consultation with the LPA and stakeholders at Stage 1?

Early engagement will normally focus on statutory consultees, infrastructure providers and technical stakeholders where specialist input is required to inform the preparation of the draft masterplan. Any costs associated with such engagement shall be met by the developer, either through a PPA or separate reimbursement arrangements.

Purpose of Strategic Masterplans

Strategic masterplans are high level documents setting out how the developer/promotor will align their development with the Council's strategic approach to development. They will be used to support the creation of excellent places to live, work and enjoy that respond to the unique site circumstances. The strategic masterplan must ensure certainty over key outcomes yet remain adaptable to allow innovation in design and delivery.

As a minimum, strategic masterplans should include:

- A vision for the new place
- Site and context analysis e.g. site features of importance, surrounding landscape, heritage, contamination, flood risk, important views, etc
- Density and character
- Movement structure e.g. walking, cycling, public transport, vehicle circulation
- Infrastructure strategy
- Sustainable Urban Drainage (SUDS) Strategy
- A framework for landscape, spaces and public realm
- Land use and developable areas

- Building heights
- Layout principles
- Delivery and phasing

In addition, developers/applicants are strongly encouraged to demonstrate how they will incorporate other place making and sustainable living objectives in the new Local Plan by incorporating:
- LiveWell initiatives across the development
- Opportunities for community involvement in the long-term management and stewardship of the new development
- Achieving a significant modal shift to active and sustainable modes of travel

The level of detail sought will reflect the scale of the site and development.

Stage 2

Developer	Council
• Developer/promoter submits a strategic masterplan for approval by the Council	• Documents are publicly available in accordance with consultation procedures (see below)*

Consultation procedure

- Prior to the strategic masterplan being made publicly available as part of this process, the developer/promoter is encouraged to undertake their own public exhibitions to increase awareness.
- The developer/promoter is responsible for the exhibitions. They will direct attendees to submit any comments via the Council's website (by prior arrangement).
- The Council will make documents publicly available through Public Access and display site notice(s) close to the development site. The Council will invite representations to be made through Public Access (the Council's website). Parish Council(s) and Town Council(s) (where relevant) will be consulted by the Council.
- Engagement with relevant stakeholders to be led by the Council. This will include statutory bodies, service providers and Essex Highways.
- The Council will consult with Local Ward Members and the Cabinet Member for Planning and Place Shaping.

- A Design Review process may be requested by the local planning authority.

Developer	Council
• Amendments made to strategic masterplan following actions listed in the consultation procedure above and officer assessment in general	• Representations are summarised and main issues identified and sent to the developer/promoter
	• Report produced detailing: - Level of responses - Type of comments received - Commentary on main issues - Amendments made to reflect community involvement
	• Strategic masterplan and report to be considered by Chelmsford Policy Board before Cabinet for approval

	• Strategic Masterplan to be approved at Cabinet as Council approved guidance.
*In most circumstances only one public consultation will be necessary. However, if significant changes are required following the first consultation a second consultation may be undertaken. The Council will make an assessment on a site by site basis.	

2) Masterplan (not Strategic) Route: Estimated duration 17 weeks

Stage 0

Developer	Council
• Developer/promoter notifies the Council of intention to submit a masterplan	• Council produces a framework of its own in the form of a planning brief outlining key development structuring principles, information requirements and evidence expectations. The planning brief is proportionate to the scale and nature of the development.

- At this stage the developer/promoter will be encouraged to enter into a Planning Performance Agreement (PPA) with the Council.
- The PPA will agree the scope, timescale, consultation and engagement approach and fee of the masterplan process.
- The PPA will cover all the stages of the masterplan. It will not include any subsequent pre-application discussions/planning applications following approval of a masterplan.

Stage 1

Developer	Council
• Developer/promoter submits draft masterplan pre-application enquiry to the Council. • This document should be reasonably concise and focused. • Evidence base should be provided.	• Enquiry is registered by the Council. • At this stage the documents are subject to officer review and feedback. • The Council will advise on any statutory consultees infrastructure providers or technical stakeholders that must be involved at this stage.

The developer/promoter and Council engage in pre-application negotiations. These should include but are not limited to:

- Requiring the development area to reflect the adopted Policies Map.
- Requiring the development to reflect the development principles set out in the Growth Site Policy for the area.
- Supporting evidence (typically baseline evidence given the formative planning stage) required to be supplied by the site promotor/developer. This may include transport modelling, Flood Risk Assessment, Arboricultural Assessment, Preliminary Ecology Assessment and Habitats Regulations Assessment and Landscape Assessment.
- Where appropriate, review existing relevant evidence or guidance relating to the site and its context (for example Supplementary Planning Documents (SPDs), 'made' Neighbourhood Plans and existing Village Design Statements (VDS's).

Purpose of a faster process:

This process ensures that key placemaking principles are established in advance of planning applications for non-strategic sites, expected to be delivered in the early years of the plan period, without unnecessary delay. It provides proportionate guidance aligned with the scale and complexity of the site while maintaining design quality and policy compliance.

As a minimum, a masterplan should include:

- A short statement of vision for the development and any key placemaking principles
- An annotated plan showing boundaries, constraints, and opportunities
- A high-level plan showing movement and access for the site
- A high-level block plan showing intended layout of uses and land mix
- Confirmation of retained site features
- Location and type of drainage features
- A plan to show required infrastructure and delivery phases if required
- Proposed density, character and scale.

Additionally

- Briefly outline where relevant the incorporation of sustainable construction methods, energy efficiency and accordance with the Council's Making Places Supplementary Planning Document.

Stage 2

Developer	Council
• Developer/promoter submits a masterplan for approval by the Council	• Documents are publicly available in accordance with consultation procedures (see below)*

Consultation procedure

- Prior to the masterplan being made publicly available as part of this process, the developer/promoter is encouraged to undertake their own public exhibitions to increase awareness.
-
- The developer/promoter is responsible for the exhibitions. They will direct attendees to submit any comments via the Council's website (by prior arrangement).
- The Council will make documents publicly available through Public Access and display site notice(s) close to the development site. The Council will invite representations to be made through Public Access (the Council's website). Parish Council(s) and Town Council(s) (where relevant) will be consulted by the Council.
- Engagement with relevant stakeholders to be led by the Council. This will include statutory bodies, service providers and Essex Highways.
- The Council will consult with Local Ward Members and the Cabinet Member for Planning and Place Shaping.

The level of consultation required will be proportionate to the scale and complexity of development.

*In most circumstances only one public consultation will be necessary. However, if significant changes are required following the first consultation a second consultation may be undertaken. The Council will make an assessment on a site by site basis.

Developer	Council
• Amendments made to masterplan following actions listed in the consultation procedure above and officer assessment in general (as required)	• Representations are summarised and main issues identified and sent to the developer/promoter • Report produced detailing: - Level of responses - Type of comments received - Commentary on main issues - Amendments made to reflect community involvement • Masterplan and report to be considered by the Council's Assistant Director for Planning and Place Shaping or Director of Sustainable Communities in consultation with the Cabinet Member for Planning and Place Shaping and approved as Council guidance.

3) Planning Brief: Estimated duration 8 weeks

Stage 0

Developer	Council

• The developer/promoter notifies the Council of intent to develop a site.	• The developer/promoter is encouraged to enter into a Planning Performance Agreement (PPA). • The PPA (if entered into) will set out the scope, timescale and cost of the planning brief.
Stage 1	
Council	
• The council produces a planning brief setting out the constraints and opportunities of the site and key development structuring principles.	
Stage 2	
Developer	**Council**
• The developer incorporates the planning brief into the production of future planning application(s).	• The Council's Assistant Director for Planning and Place Shaping or Director of Sustainable Communities, in consultation with the Cabinet Member for Planning and Place Shaping approves the planning brief as Council guidance.

2. Status of masterplans/planning briefs

2.1 The requirement to undertake the masterplans are set out within relevant site allocation policies within the Local Plan which also contain the masterplanning principles to be addressed. Therefore, approved masterplans and planning briefs will be a material consideration alongside the Local Plan to ensure Strategic Growth Sites and Growth Sites deliver the Spatial Strategy.

2.2 Approved masterplans and planning briefs will be approved as Council guidance and be material considerations in decision-making but will not form part of the statutory development plan. They will not be subject to Independent Examination.

2.3 Approved masterplans and planning briefs should form part of planning application submissions and be a key reference document. However, these documents and the processes do not override statutory requirements of the planning application process, specifically consultation to statutory consultees and members of the public.

1 - Strategic Masterplan Route (estimated duration 9-12 Months)

Stage	Developer / Promoter	Chelmsford City Council
Stage 0	Notify Council and PPA process	Issue framework, agree scope, consultation, fees and programme
	Input – Agreed PPA	Output – Framework document setting out what the Strategic Masterplan should include
Stage 1	Submit Strategic Masterplan pre-application advice request	Register, review and negotiate
	Input – Information and drafts as required by Council	Output – consultations with statutory consultees, infrastructure providers and technical stakeholders where specialist input is required.
Stage 2	Input – Strategic Masterplan	Consult on Strategic Masterplan; site notices, parish and/or town councils, Members, Cabinet Member & manage responses via website
	Carry out public exhibitions where necessary	Output – Report to Policy Board and Cabinet for approval

2 - Masterplan Route (estimated duration 17 weeks)

Stage	Developer / Promoter	Chelmsford City Council
Stage 0	Notify Council	Output – Framework outlining information requirements, expectations, supporting evidence needed
	Input – Agreed PPA if necessary	
Stage 1	Input – Masterplan (concise and focused)	Output - feedback
	Input – Information and drafts as required by Council	
Stage 2	Input –Masterplan for consultation	Consult on Masterplan; site notices, parish and/or town councils, Members, Cabinet Member & manage responses via website
	Carry out public exhibitions where necessary	Output – Report for approval of masterplan via delegated authority (Assistant Director for Planning and Place Shaping or Director of Sustainable Communities) in consultation with Cabinet Member

3 - Planning Brief Route (estimated duration 8 weeks)

Stage	Developer / Promoter	Chelmsford City Council
Stage 0	Notify Council Input – Agreed PPA if necessary	
Stage 1		Output – Planning Brief setting out constraints and opportunities
Stage 2		Output – Report for approval of planning brief via delegated authority (Assistant Director for Planning and Place Shaping or Director of Sustainable Communities) in consultation with Cabinet Member